



It is our mission to deliver quality healthcare to the residents of and visitors to BigBearValley through the most effective use of available resources.
VISION

To be the premier provider of emergency medical and healthcare services in our BigBearValley.

BOARD OF DIRECTORS BUSINESS MEETING AGENDA

Wednesday, February 14, 2018 @ 1:00 p.m. – Hospital Conference Room

41870 Garstin Drive, Big Bear Lake, CA 92315

(Closed Session will be held upon adjournment of Open Session as noted below. Open Session will reconvene @ approximately 3:00 p.m. –Hospital Conference Room 41870 Garstin Drive, Big Bear Lake, CA 92315)

Copies of staff reports or other written documentation relating to each item of business referred to on this agenda are on file in the Chief Executive Officer's Office and are available for public inspection or purchase at 10 cents per page with advance written notice. In compliance with the Americans with Disabilities Act and Government Code Section 54954.2, if you need special assistance to participate in a District meeting or other services offered by the District, please contact Administration (909) 878-8214. Notification at least 48 hours prior to the meeting or time when services are needed will assist the District staff in assuring that reasonable arrangements can be made to provide accessibility to the meeting or service. **DOCUMENTS RELATED TO OPEN SESSION AGENDAS (SB 343)** -- Any public record, relating to an open session agenda item, that is distributed within 72 hours prior to the meeting is available for public inspection at the public counter located in the Administration Office, located at 41870 Garstin Drive, Big Bear Lake, CA 92315. For questions regarding any agenda item, contact Administration at (909) 878-8214.

OPEN SESSION

1. CALL TO ORDER

Rob Robbins, President

2. PUBLIC FORUM FOR CLOSED SESSION

This is the opportunity for members of the public to address the Board on Closed Session items.

(Government Code Section 54954.3, there will be a three (3) minute limit per speaker. Any report or data required at this time must be requested in writing, signed and turned in to Administration. Please state your name and city of residence.)

3. ADJOURN TO CLOSED SESSION*

CLOSED SESSION

1. CHIEF OF STAFF REPORT/QUALITY IMPROVEMENT: *Pursuant to Health & Safety Code Section 32155

- (1) Chief of Staff Report

2. CONFERENCE WITH LABOR NEGOTIATORS: *Government Section Code: 54957.6: Negotiator(s): Mike Sarrao, Esq.

- (1) Union Negotiations

3. HOSPITAL QUALITY/RISK/COMPLIANCE REPORTS: *Pursuant to Health & Safety Code Section 32155

- (1) Risk / Compliance Management Report
- (2) QI Management Report

4. PUBLIC EMPLOYEE PERFORMANCE EVALUATION *Pursuant to Government Section Code: 54957

- (1) Mid-Year Chief Executive Officer

5. TRADE SECRETS: Pursuant to Health and Safety Code Section 32106, and Civil Code Section 3426.1

- (1) William White, M.D. First Amendment to Clinic Service Agreement
(Anticipated disclosure 2/14/18)
- (2) Paula Lebby, M.D. Clinic Service Agreement
(Anticipated disclosure 2/14/18)

OPEN SESSION

1. CALL TO ORDER

Rob Robbins, President

2. ROLL CALL

Shelly Egerer, Executive Assistant

3. FLAG SALUTE

4. ADOPTION OF AGENDA*

5. RESULTS OF CLOSED SESSION

Rob Robbins, President

6. PUBLIC FORUM FOR OPEN SESSION

This is the opportunity for persons to speak on items of interest to the public within subject matter jurisdiction of the District, but which are not on the agenda. Any person may, in addition to this public forum, address the Board regarding any item listed on the Board agenda at the time the item is being considered by the Board of Directors. (*Government Code Section 54954.3, there will be a three (3) minute limit per speaker. Any report or data required at this time must be requested in writing, signed and turned in to Administration. Please state your name and city of residence.*)

***PUBLIC RESPONSE IS ENCOURAGED AFTER MOTION, SECOND AND
PRIOR TO VOTE ON ANY ACTION ITEM***

7. DIRECTORS' COMMENTS

8. INFORMATION REPORTS

A. Foundation Report

Holly Elmer, Foundation President

B. Auxiliary Report

Gail Dick, Auxiliary President

9. CONSENT AGENDA*

Notice to the Public:

Background information has been provided to the Board on all matters listed under the Consent Agenda, and the items are considered to be routine by the Board. All items under the Consent Agenda are normally approved by one (1) motion. If discussion is requested by any Board Member on any item; that item will be removed from the Consent Agenda if separate action other than that as stated is required.

A. January 10, 2018 Board of Directors Meeting Minutes: Shelly Egerer, Executive Assistant

B. January 2018 Planning & Facilities Report: Michael Mursick, Plant Director

C. January 2018 Human Resource Report: Erin Wilson, Human Resource Director

D. 2018 Infection Control Report: Heather Loose, Infection Preventionist

E. Policies and Procedures: (Summary Attached)

(1) Laboratory Department / Blood Bank

(2) Laboratory Department Administration

(3) Laboratory Department / Microbiology

(4) Laboratory Department / Phlebotomy

(5) Skilled Nursing Facility

(6) Fire Watch

(7) Use of District Vehicles & Mobile Equipment

(8) Standardized Procedures For the Nurse Practitioners

F. Board of Directors; Committee Meeting Minutes:

(1) November 16, 2017 Special Planning & Facilities Committee Meeting Minutes

10. OLD BUSINESS*

- None

11. NEW BUSINESS*

- A.** Discussion and Potential Approval of the Following Service Agreements:
 - (1) William White, M.D. First Amendment to Clinic Service Agreement
 - (2) Paula Lebby, M.D. Clinic Service Agreement
- B.** Discussion and Potential Approval of the Annual BVCHD Board of Directors Self Evaluation
- C.** Discussion and Potential Approval of Assignment of Committee Members to the Following Committees:
 - (1) Finance Committee
 - (2) Human Resource Committee
 - (3) Hospital Affiliation Committee

12. ACTION ITEMS*

- A.** **Acceptance of QHR Report**
Ron Vigus, Regional VP QHR
 - (1) February 2018 QHR Report
 - (2) Annual Benefit Report
- B.** **Acceptance of CNO Report**
Kerri Jex, Chief Nursing Officer
 - (1) January 2018 CNO Report
- C.** **Acceptance of the CEO Report**
John Friel, Chief Executive Officer
 - (1) January 2018 CEO Report
- D.** **Acceptance of the Finance Report & CFO Report**
Garth Hamblin, Chief Financial Officer
 - (1) December 2017 Financials
 - (2) January 2018 CFO Report

13. ADJOURNMENT*

*** Denotes Possible Action Items**

**BEAR VALLEY COMMUNITY HEALTHCARE DISTRICT
BUSINESS BOARD MEETING MINUTES
41870 Garstin Drive, Big Bear Lake, Ca. 92315
January 10, 2018**

PRESENT: Rob Robbins, President
Gail McCarthy, 1st Vice President
Jack Roberts, 2nd Vice President
Donna Nicely, Treasurer
John Friel, CEO
Shelly Egerer, Ex. Assist.

ABSENT: Holly Elmer, Foundation Gail Dick, Auxiliary

STAFF: Garth Hamblin Mary Norman Kerri Jex Jon Booth
Sheri Mursick Steven Knapik, DO Jacob Phillips Colin Campbell

OTHER: Ron Vigus, VP Sharon Stewart w/QHR

COMMUNITY

MEMBERS: Ryan Orr

OPEN SESSION

1. CALL TO ORDER:

President Robbins called the meeting to order at 1:00 p.m.

CLOSED SESSION

1. PUBLIC FORUM FOR CLOSED SESSION:

President Robbins opened the Hearing Section for Public Comment on Closed Session items at 1:00 p.m. Hearing no request to make public comment. President Robbins closed Public Forum for Closed Session at 1:00 p.m.

2. ADJOURNED TO CLOSED SESSION:

President Robbins motioned to adjourn to Closed Session at 1:00 p.m. Second by Board Member Roberts to adjourn to Closed Session. President Robbins called for a vote. A vote in favor of the motion was 4/0.

- Board Member Nicely- yes
- President Robbins - yes
- Board Member McCarthy - yes
- Board Member Roberts - yes

RECONVENE TO OPEN SESSION

1. CALL TO ORDER:

President Robbins called the meeting to Open Session at 3:00 p.m.

2. ROLL CALL:

Rob Robbins, Gail McCarthy, Jack Roberts and Donna Nicely were present. Also present were John Friel, CEO and Shelly Egerer, Executive Assistant.

3. FLAG SALUTE:

Board Member McCarthy led the flag salute all present participated.

4. ADOPTION OF AGENDA:

President Robbins called for a motion to adopt the agenda as presented. Motion by Board Member McCarthy to adopt the agenda as presented. Second by Board Member Nicely to adopt the agenda as presented. President Robbins called for the vote. A vote in favor of the motion was 4/0.

- Board Member Nicely- yes
- President Robbins - yes
- Board Member McCarthy - yes
- Board Member Roberts - yes

5. RESULTS OF CLOSED SESSION:

President Robbins reported that the following action was taken in Closed Session:
The following reports were approved.

- Chief of Staff Report:
 - Request for Initial Appointment:
 - Ruth Mondolfi, DO - Tele-Psychiatry
 - Amit Pal, MD - Renaissance Radiology
 - Request for Reappointment:
 - Mauricio De La Lama, MD- Renaissance Radiology
 - Vito Fodera, MD- Renaissance Radiology
 - Karin Fu, MD- Renaissance Radiology
 - Jennifer Hill, MD- Renaissance Radiology
 - Michael Klein, MD- Renaissance Radiology
 - Steven Kussman, MD- Renaissance Radiology
 - Olga Lyass, MD- Renaissance Radiology
 - Farbod Nasser, MD- Renaissance Radiology
 - Edward Oh, MD- Renaissance Radiology
 - Harun Ozer, MD- Renaissance Radiology
 - Lucas Payor, MD- Renaissance Radiology
 - Kevin Rice, MD- Renaissance Radiology
 - Tomer Roth, MD- Renaissance Radiology
 - Douglas Rusnack, MD- Renaissance Radiology
 - Geoffrey Sigmund, MD- Renaissance Radiology
 - Robert Stecher, MD- Renaissance Radiology
 - John Swift, MD- Renaissance Radiology
 - Phillip Tirman, MD- Renaissance Radiology
 - Tanya Tivorsak, MD- Renaissance Radiology
 - Nhan Tran, MD- Renaissance Radiology
 - Van Trinh, MD- Renaissance Radiology
 - Brian Tzung, MD- Renaissance Radiology
 - Richard Yoo, MD- Renaissance Radiology
- Risk Report
- QI Report

President Robbins called for the vote. A vote in favor of the motion was 4/0.

- Board Member Nicely- yes
- President Robbins - yes
- Board Member McCarthy-yes
- Board Member Roberts - yes

6. PUBLIC FORUM FOR OPEN SESSION:

President Robbins opened the Hearing Section for Public Comment on Open Session items at 3:02 p.m. Hearing no request to make Public Comment. President Robbins closed Public Forum for Open Session at 3:02 p.m.

7. DIRECTORS COMMENTS

- President Robbins reminded the Board to please complete the Board Self Assessment.

8. INFORMATION REPORTS:

A. Foundation Report:

- Ms. Elmer was not in attendance.
- Mr. Friel reported the following information:
 - Year end appeal over \$10,000.
 - Foundation to conduct their meeting tomorrow afternoon.
 - Bylaws are continuing to be reviewed.

B. Auxiliary Report:

- Ms. Dick was not in attendance to provide a report.

9. CONSENT AGENDA:

- A.** December 06, 2017 Special Board of Directors Meeting Minutes: Shelly Egerer, Executive Assistant
- B.** December 13, 2017 Board of Directors Meeting Minutes: Shelly Egerer, Executive Assistant
- C.** January 02, 2018 Special Board of Directors Meeting Minutes: Shelly Egerer, Executive Assistant
- D.** December 2017 Planning & Facilities Report: Michael Mursick, Plant Manager
- E.** December 2017 Human Resource Report: Erin Wilson, Human Resource Director
- F.** December 2017 Infection Control Report: Heather Loose, Infection Preventionist
- G.** Policies and Procedures:
 - (1) Identity Theft
 - (2) Patient Registration
 - (3) Patient Transfer
 - (4) Policy Review and Approval Process
 - (5) Employee Injury & Blood/Body Fluid Exposure
- H.** Board of Directors; Committee Meeting Minutes:
 - (1) December 04, 2017 Finance Committee Meeting Minutes

President Robbins called for a motion to approve the Consent Calendar as presented. Motion by Board Member McCarthy to approve the Consent Calendar. Second by Board Member Nicely to approve the Consent Calendar as presented. President Robbins called for the vote. A vote in favor of the motion was 4/0.

- Board Member Nicely - yes

- President Robbins - yes
- Board Member McCarthy - yes
- Board Member Roberts - yes

10. OLD BUSINESS:

- None

11. NEW BUSINESS*

A. Discussion and Potential Approval of the June 30, 2017 Fiscal Year End Audited Financial Statements: Presented by Jerrel Tucker w/JWT & Associates LLP:

- Mr. Tucker reported the following information:
 - Numbers are accurate.
 - District had a great year.
 - Staff has done a stellar job.
 - Clean opinion.
 - No material weaknesses or significant deficiencies identified relating to District internal controls.
 - Conservative position for the Hospital.
 - Significant accounting issues in IGT programs.
 - AP increased due to timing.
 - Day's cash on hand is 216.

President Robbins called for a motion to approve the June 30, 2017 Fiscal Year End Audited Financial Statements. Motion by Board Member Nicely to approve the June 30, 2017 Fiscal Year End Audited Financial Statements. Second by President Robbins to approve the June 30, 2017 Fiscal Year End Audited Financial Statements. President Robbins called for the vote. A vote in favor of the motion was 4/0.

- Board Member Nicely - yes
- President Robbins - yes
- Board Member McCarthy - yes
- Board Member Roberts - yes

B. Discussion and Potential Approval of Charles Ananian, DPM Podiatrist Clinic Service Agreement:

- President Robbins stated this is a new service and the agreement was discussed in closed session. The Board of Directors felt this was a great asset to the District and an additional specialty to take better care of our community and the SNF Residents.

President Robbins called for a motion to approve Charles Ananian, DPM Podiatrist Clinic Service Agreement. Motion by Board Member Nicely to approve Charles Ananian, DPM Podiatrist Clinic Service Agreement. Second by Board Member Roberts to approve Charles Ananian, DPM Podiatrist Clinic Service Agreement. President Robbins called for the vote. A vote in favor of the motion was 4/0.

- Board Member Nicely- yes
- President Robbins- yes
- Board Member McCarthy - yes
- Board Member Roberts - yes

C. Discussion and Potential Approval of the Installation of a Marta Bench at Bear Valley Community Healthcare District Parking Area:

- Board Member Nicely asked why we needed a covered bench that the patients wait in the lobby for the bus; the bus pulls directly in front of the hospital.
- Mr. Friel stated that he would like to have the Planning & Facilities Committee Discuss and further review the Marta Bench being installed.

President Robbins called for a motion to approve this item being addressed at the Planning & Facilities Committee Meeting. Second by Board Member McCarthy to approve this item being addressed at the Planning & Facilities Committee. President Robbins called for the vote. A vote in favor of the motion was 4/0.

- Board Member Nicely- yes
- President Robbins- yes
- Board Member McCarthy - yes
- Board Member Roberts - yes

D. Discussion and Potential Approval of QHR Critical Access Hospital and Life Safety Mock Survey: Travel Expenses Not to Exceed \$2,000.00 Per Consultant:

- Ms. Jex stated that a memo was provided to the Board regarding this item.

President Robbins called for a motion to approve QHR Consultant Travel Expenses not to exceed \$2,000.00 per person. Motion by Board Member Nicely to approve QHR Consultant Travel Expenses not to exceed \$2,000.00 per person. Second by President Robbins to approve QHR Consultant Travel Expenses not to exceed \$2,000.00 per person. President Robbins called for the vote. A vote in favor of the motion was 4/0.

- Board Member Nicely- yes
- President Robbins- yes
- Board Member McCarthy - yes
- Board Member Roberts - yes

E. Discussion and Potential Approval of Employees Performance Based Evaluations:

- Mr. Friel stated this was brought up prior to this meeting by the Board of Directors; Mr. Friel reported that we are required to have evaluations and asked that this item be addressed at the HR Committee.
- Further discussion took place on improving the evaluations and that managers are following the process. The Board agreed that this item should be addressed at the HR Committee.

President Robbins called for a motion to have the HR Committee review the Employees Performance Based Evaluations. Motion by Board Member Nicely to have the HR Committee review the Employees Performance Based Evaluations. Second by Board Member McCarthy to have the HR Committee review the Employees Performance Based Evaluations. President Robbins called for the vote. A vote in favor of the motion was 4/0.

- Board Member Nicely- yes
- President Robbins- yes
- Board Member McCarthy - yes
- Board Member Roberts - yes

F. Discussion and Update on the 340B Pharmacy Program:

- Mr. Friel stated that the program is very complex, this is a Federal Program and very cumbersome.

- Mr. Campbell stated there are two components of the 340B Pharmacy.
 - There is a large difference in cost on medication.
 - Need clear process/procedure on what medication we want to have under the program.
 - We do not have any contracts with local pharmacy; continue to work with Walgreens and CVS.
 - Policy on 340B Pharmacy needs to be put into place.
 - Attending conferences to better understand the program is a necessity.
 - Third party vendor should be used due to the complexity of the program.
 - The district will be audited on this program.
- The Board of Directors stated that Mr. Campbell could review the process and at this time, there is no reason to bring in a third party by QHR. The Board will like an update at the February Meeting on the 340B Pharmacy.

President Robbins reported no action required.

G. Discussion and Potential Approval of the Following Resolutions to Form Committees as Listed and Assign Committee Members:

- (1) Resolution # 18-452 Information Technology Committee:
 - Mr. Roberts stated that he felt a committee is important due to the future with IT. Board Member Roberts stated that he feels this Resolution should be withdrawn and to have the IT Assessment be an ongoing agenda item at the Planning & Facilities Committee Meeting.
 - Board Member Nicely stated this should be under the Finance Committee since there is a potential that money will be involved. Board Member Nicely also stated that the Board should wait until the QHR Consultant provides her report IT Assessment to the full Board.
 - Board Member McCarthy stated it would be more prudent to wait until the full report came back to the Board before continuing.
 - Ms. Stewart provided a timeline and estimated that the onsite visit assessment will be completed by February.
 - Interviewed 18 staff members.
 - Meeting with leadership – exit discussion was completed.
 - Normal finding- a lot of positive feedback and some unhappy with the department.
 - Preliminary finding; this is the first Hospital she has come to where there is no security issue at this time. The organization has done a good job to make sure this has happened.
 - Further discussion took place on what committee this item should be on, the IT Manger would attend the committee. Mr. Friel requested that the Board hold off on forming a committee or adding this item to an existing committee until he receives the IT Assessment Report from QHR. Mr. Hamblin stated that there is potential to have some expenses that would need to be added to the Capital Budget, there are some internal operating problems that need to be addressed.

(2) Resolution #18-453 Hospital Affiliation Committee

- President Robbins stated that he feels this is an important committee since the Loma Linda Affiliation has not gone in the direction the District had hoped for.
- Discussion took place regarding Mr. Friel working with Riverside Community Hospital; this was a goal of the CEO's during his evaluation. The Board of Directors would like Mr. Friel to begin the process for an affiliation.
- Mr. Friel stated that he has an appointment with the representative of Riverside Community Hospital.

President Robbins motioned to approve the Hospital Affiliation Committee and assign Donna Nicely as the chair and the second committee member would be chosen at a later date. Second by Board Member Roberts to approve the Hospital Affiliation Committee and assign Donna Nicely as the chair and the second committee member would be chosen at a later date. President Robbins called for the vote. A vote in favor of the motion was 4/0.

- Board Member Nicely- yes
- President Robbins- yes
- Board Member McCarthy - yes
- Board Member Roberts - yes

12. ACTION ITEMS*

A. Quorum Health Resource Report:

(1) January 2018 QHR Report:

- Mr. Vigus reported the following
 - Board of Trustee Conference is to begin on August 7, this is the preliminary day and the conference is scheduled for August 8 through August 10.
 - Sharon Stewart is always available to assist the IT Department.

(2) IT Assessment

- Discussion took place under Resolution due to forming an IT Committee. Ms. Stewart did provide a power point (4 slides).

President Robbins motioned to approve the QHR Report & IT Assessment Update as presented. Second by Board Member Roberts to approve the QHR Report & IT Assessment Update as presented. President Robbins called for the vote. A vote in favor of the motion was 4/0.

- Board Member Nicely- yes
- President Robbins- yes
- Board Member McCarthy - yes
- Board Member Roberts - yes

B. CNO Report:

(1) December 2017 CNO Report:

- Ms. Jex provided the following information:
 - SNF POC was submitted and was accepted by CDPH.
 - Swing patient census at two.
 - BETA on site for GAP Analysis.
 - Nurse leadership have submitted nursing rounds.
 - RT job description is being reviewed; is acting as a supervisor but is also a

union member. Is on hold until we have completed OPEIU negotiations.

- Smoking Cessation classes are going well, six week classes and in between support groups. This is a grant funded program, focus is clinic population.

President Robbins called for a motion to approve the CNO Report as presented. Motion by Board Member Nicely to approve the CNO Report as presented. Second by Board Member Roberts to approve the CNO Report as presented. President Robbins called for the vote. A vote in favor of the motion was 4/0.

- Board Member Nicely- yes
- President Robbins- yes
- Board Member McCarthy - yes
- Board Member Roberts - yes

C. Acceptance of the CEO Report:

(1) December 2017 CEO Report:

- Mr. Friel reported the following information:
 - Two of the three bathrooms are out of order, the old lines are blocked and there is a significant crack in the pipe. Maintenance is evaluating the job and what the cost might be.
 - Two architectural firms have been contacted in order to obtain information for Board site visits.
 - HIM Manager position is still being advertised.
- Board Member Nicely stated there are several sites available to fill this position and the HR Director needs to explore additional websites. The District is paying travel and living expenses for an interim and is costing double of what we would be paying if the position was filled.

(2) Strategic Plan Update:

- Mr. Friel reported the dates on the Strategic Plan is updated as requested by the Board. The Hospital Affiliation priority will be changed to "high priority".
- Board Member Roberts stated since we are financially doing good that we should look at providing additional services or home health services to the community and give back to the community; home health is in the Strategic Plan.
- Board Member McCarthy stated she has always felt that we should begin some education regarding health issues to the community.

(3) Organizational Chart:

- Mr. Friel stated that the organizational chart has been updated.

President Robbins motioned to approve the CEO Report, Strategic Plan and Organizational Chart as presented. Second by Board Member Nicely to approve the CEO Report, Strategic Plan and the Organizational Chart as presented. President Robbins called for the vote. A vote in favor was unanimously approved 4/0.

- Board Member Nicely- yes
- President Robbins- yes
- Board Member McCarthy - yes
- Board Member Roberts - yes

D. Acceptance of the Finance Report:

(1) November 2017 Financials:

- Mr. Hamblin reported the following information:
 - Revenue is over budget.
 - Expenses within budget.
 - Acute and Swing are ½ of what we budgeted.
 - ER visits are over budget.
 - SNF days over budget.
 - Strong month.
 - \$700,000 surplus, we are on track.
 - Margin and numbers are low.

(2) CFO Report:

- Mr. Hamblin reported the following information:
 - 34 repealed the penalty for non-compliant for individual mandate.
 - Continue to work closely on AR.
 - IV Solutions are still on high demand.

President Robbins called for a motion to approve the November 2017 Finance Report and the CFO Report as presented. Motion by Board Member Nicely to approve the November 2017 Finance Report and the CFO Report as presented. Second by Board Member Roberts to approve the November 2017 Finance Report and the CFO Report as presented. President Robbins called for the vote. A vote in favor was unanimously approved 4/0.

- Board Member Nicely- yes
- President Robbins- yes
- Board Member McCarthy - yes
- Board Member Roberts - yes

13. ADJOURNMENT:

Board Member Nicely motioned to adjourn the meeting at 5:10 p.m. Second by Board Member Roberts to adjourn. President Robbins called for the vote. A vote in favor of the motion was unanimously approved 4/0.

- Board Member Nicely- yes
- President Robbins- yes
- Board Member McCarthy - yes
- Board Member Roberts - yes

Bear Valley Community Healthcare District Construction Projects 2018

Department / Project	Details	Vendor and all associated costs	Comments	Date
Public/Staff Restroom	Plumbing issues are continuing to pose problems and will require major repairs.	Pride Plumbing Services	In Progress	
Room # 30	Renovated room with funds from Rotary	Facilities, Warren Construction, Mike's Flooring	Complete	Dec. 2017
Fire Riser	Installed new Fire Riser and Nitrogen Generator in Boiler room	SimplexGrinell	Complete	Jan.2018
Medgas Panel	Installed new MedGas Panel to meet code requirements. Old Panel was failing and unsupported.	FS Medical	In Progress	
Employee Door Replacement	Door has failed.	Lyman Doors	Complete	Dec. 2017
Pyxis Replacement	Pyxis equipment is in place and seismic anchors will be installed soon.	Facilities	In Progress	
FHC- Telehealth system installation	Vendor sent new equipment for second Doctor		Completed	Dec. 2017
ASHRE 188 Risk Management Plan for Legionellosis	New Mandate for Hospitals	Forensic Analytical Consulting Services Inc.	In Progress	

Bear Valley Community Healthcare District Construction Projects 2018

Department / Project	Details	Vendor and all associated costs	Comments	Date Complete
Hospital- Medical Air Compressor	Compressors is failing and no longer meets code requirments	FS Medical	Equipment purchased waiting on OSHPD/Design Professional	
Hospital- Fire Door Repairs	During our latest inspection most of our doors were identified as having deficiencies	Facilities	Will have to evaluate major repairs and include in Capital Budget	

Bear Valley Community Healthcare District Potential Equipment Requirements

Department / Project	Details	Vendor and all associated costs	Comments	Date
Facilities- New SnowPlow for truck	Facilities would like to purchase a new plow with modern controls	N/A	Will include in next years Capital Budget	

Bear Valley Community Healthcare District Repairs Maintenance

Department / Project	Details	Vendor and all associated costs	Comments	Date Completed
Hospital/FHC/RHC/PT	Filters Replaced	Facilities	Complete	Dec. 2017
Hospital-Fire Door Repairs	Fire Door repairs	Facilities	In Progress	
ER- Lockbox placed on thermostat	Placed Lock Box in ER to prevent tampering with thermostat	Facilities	In progress	
Escutcheon Repairs	Designed a new larger expansion plate for wear around escutcheons	Facilities	In progress	



HR Monthly Report

January 2018

STAFFING	Active: 214 New Hires: 3 Terms: 2 Open Positions: 24
EMPLOYEE PERFORMANCE EVALUATIONS	DELINQUENT: 30 days: 4 60 days: 1 90 days: 0 90+ days: 0 MOVING FORWARD: Enforce Delinquent Evaluation Policy and continue monitoring ongoing annual evaluations.
WORK COMP	NEW CLAIMS: 1 OPEN: 11 Indemnity (Wage Replacement, attempts to make the employee financially whole) - 5 Future Medical Care – 5 Medical Only - 1 MOVING FORWARD: Quarterly claims review.
FILE AUDIT/ LICENSING	FIVE FILE AUDIT: One missing Meal and Rest Period One missing Work Comp Fraud One missing Handbook Acknowledgment One license expired (employee removed from schedule) All items returned from previous month MOVING FORWARD: Obtain required items, continue file audit.



Infection Prevention Monthly Report

January 2018

TOPIC	UPDATE	ACTION/FOLLOW UP
1. Regulatory	<ul style="list-style-type: none"> ▪ Continue to receive updates from APIC. ▪ Continue NHSN surveillance reporting. <ul style="list-style-type: none"> • No Hospital acquired infections this month. ▪ Completion of CMR reports to Public Health per Title 17 and CDPH regulations. <ul style="list-style-type: none"> ▪ 1 case of gonorrhea ▪ 1 aseptic meningitis 	<ul style="list-style-type: none"> ▪ Review ICP regulations. ▪ Continue Monthly Reporting Plan submissions.
2. Construction	<ul style="list-style-type: none"> • Construction in Room 30 complete. • New bathrooms will need drains replaced and the main drain to the facility is cracked. • Kitchen in Acute also has broken pipe. Will remain out of order until fixed. 	<ul style="list-style-type: none"> ▪ Work with Maintenance and contractors to ensure compliance.
3. QI	<ul style="list-style-type: none"> ▪ Continue to work towards increased compliance with Hand Hygiene. <ul style="list-style-type: none"> ○ Compliance at 56% for January ○ Nurse managers are conducting surveillance during nursing rounds. This is helping get a more accurate reporting. 	<ul style="list-style-type: none"> ▪ Continue monitoring hand hygiene compliance.

4. Outbreaks/ Surveillance	<ul style="list-style-type: none"> ▪ Community Health Report <ul style="list-style-type: none"> ○ 1 case of MRSA in November through ER ○ 1 C-difficile infection for November. The report is provided in the middle of the next month so reporting will be a month behind. ▪ Public Health Report <ul style="list-style-type: none"> ○ Influenza widespread across California. ○ Flu has arrived much earlier than expected. ○ There have been shortages of Tamiflu. 	<ul style="list-style-type: none"> ▪ Informational
5. Policy Updates	<ul style="list-style-type: none"> ▪ None 	<ul style="list-style-type: none"> ▪ Proposed changes to be presented at next P&T committee meeting.
6. Safety/Product	<ul style="list-style-type: none"> ▪ None 	<ul style="list-style-type: none"> ▪ Continue to monitor compliance with approved cleaning procedures.
7. Antibiotic Stewardship	<ul style="list-style-type: none"> ▪ Continue to monitor antibiotic usage hospital-wide. 	<ul style="list-style-type: none"> ▪ Informational.
8. Education	<ul style="list-style-type: none"> ▪ ICP continues to attend the APIC meetings in Ontario. 	<ul style="list-style-type: none"> ▪ ICP to share information at appropriate committees.
9. Informational	<ul style="list-style-type: none"> ▪ Legionella Water Plan <ul style="list-style-type: none"> • Met with Forensic Analytical Consulting. Facility water testing was done and a plan was provided to Michael Mursick, which will begin soon. 	<ul style="list-style-type: none"> ▪ Informational

<i>Heather Loose, BSN, RN</i>	<i>Infection Preventionist</i>	<i>Date: January 2, 2018</i>

Department	Title (Version)	Summary
Bloodbank	Issuing Blood Products (v.4)	Annual review. Formatted. Revised to reflect current process.
Bloodbank	Hospital to Hospital Blood Component Transfer (v.4)	Annual review. Formatted
Bloodbank	Antibody Screening/Indirect Antiglobulin Test (v.4)	Annual review. Formatted
Bloodbank	Autologous/Directed Donor Blood Transfusion (v.4)	Annual review. Formatted
Bloodbank	Blood Components and Use (v.3)	Annual review. Formatted
Bloodbank	Cord Blood Investigation (v.4)	Annual review. Formatted
Bloodbank	Cryoprecipitate - Set Up & Issuing (v.3)	Annual review. Formatted
Bloodbank	Indirect Antiglobulin Test (v.4)	Annual review. Formatted. Updated verbiage.
Bloodbank	Blood Warmers (v.3)	Annual review Formatted.
Bloodbank	Blood Storage (v.3)	Annual review Formatted.
Bloodbank	Criteria for Transfusion (v.3)	Annual review Formatted.
Bloodbank	Crossmatch - Immediate Spin (v.3)	Annual review Formatted.
Compliance	Discrimination Complaint Grievance Procedure (v.1)	New policy to reflect the law.
Emergency Preparedness	Code Green (v.4)	Annual review. Revised verbiage and formatted.
Employee Health	Employee Injury & Blood/ Body Fluid Exposure	Annual review. Revised verbiage. Formatted
General Nursing	Acute Care Inpatient/Observation Admission Criteria	New Policy. Attached CIWA-Ar Withdrawal Scale.
Hematology	Absolute Eosinophil Count (v.1)	Annual Review. Formatted.
Hematology	Complete Blood Count (v.2)	Annual review. Formatted. Revised to reflect current process.
Lab Administration	CLS/Med Tech Daily Duties (v.1)	Annual review. Changed name, updated verbiage and formatted.
Lab Administration	Record Retention (v.1)	Annual review. Formatted
Lab Administration	Clothing Fire (v.1)	New Policy per Life & Safety regulations.
Lab Administration	C Diff Rapid Testing (v.1)	New Policy.
Lab Administration	Shut Down (v.1)	New Policy per Life & Safety regulations.
Microbiology	Helicobacter pylori Rapid Testing (v.4)	Annual review. Formatted
Microbiology	Influenza A+B Test (v.4)	Annual review. Formatted. Removed manufacturer name.
Microbiology	Parallel Testing of Serological Kits (v.3)	Annual review. Formatted. Updated to reflect CLIA and Title 22
Microbiology	RSV Test (v.3)	Annual review. Formatted
Microbiology	Strep A Rapid Test (v.4)	Annual review. Formatted
Microbiology	Alert System (v.1)	Annual review. Formatted
Microbiology	BD GasPak Pouch System (v.1)	Annual review. Formatted
Microbiology	Catalase Test (v.1)	Annual review. Formatted
Microbiology	CLotest Procedure (v.4)	Annual review. Formatted
Microbiology	CSF Cultures (v.1)	Annual review. Formatted
Microbiology	Culture Ear (v.1)	Annual review. Formatted
Microbiology	Culture Eye (v.1)	Annual review. Formatted
Microbiology	Gardnerella vaginalis (v.1)	Annual review. Formatted
Microbiology	Genital Cultures (v.1)	Annual review. Formatted
Microbiology	Gram Staining (v.1)	Annual review. Formatted
Microbiology	Group B Strep Culture (v.1)	Annual review. Formatted
Microbiology	Indole Spot Test (v.1)	Annual review. Formatted

Microbiology	Lower Respiratory Cultures (v.1)	Annual review. Formatted
Microbiology	Oxidase Test (v.1)	Annual review. Formatted
Microbiology	Prompt Inoculation System - D (v.1)	Annual review. Formatted
Microbiology	Reportable Laboratory Conditions (v.1)	Annual review. Changed name from "Reportable Laboratory
Microbiology	Staph Latex Kit (v.1)	Annual review. Formatted
Microbiology	Stock Organisms at BVCHD (v.1)	Annual review. Formatted
Microbiology	Streptococcus Testing Guidelines (v.1)	Annual review. Formatted
Microbiology	Susceptibility Testing at BVCHD (v.1)	Annual review. Formatted
Microbiology	Stool Cultures (v.1)	Annual review. Formatted
Microbiology	Tissue Cultures (v.1)	Annual review. Formatted
Microbiology	Upper Respiratory Cultures (v.1)	Annual review. Formatted
Microbiology	Wet Mount Testing (v.1)	Annual review. Formatted
Microbiology	Wound Cultures (v.1)	Annual review. Formatted
Microbiology	Culture Setup (v.1)	Annual review. Formatted
Microbiology	MRSA Screening (v.1)	Annual review. Formatted
Microbiology	Organisms Requiring Confirmatory Testing (v.1)	Annual review. Formatted
Microbiology	Quality Control (v.1)	Annual review. Formatted
Pathology	Pathology Specimen Processing (v.2)	Annual review. Formatted
Phlebotomy	Age Specific Criteria for Venipuncture (v.4)	Annual review. Formatted
Phlebotomy	Test Result Processing (v.3)	Annual review. Formatted. Changed policy name from "Test
Phlebotomy	Employee Health Patients (v.1)	Annual review. Revised to reflect current process. Formatted
Phlebotomy	Phlebotomy Policy (v.3)	Annual review. Formatted
Phlebotomy	Chain of Custody Drug Testing (v.2)	Annual review. Revised to reflect current process. Formatted
Phlebotomy	Lab Assistant Daily Duties (v.1)	Annual review. Revised to reflect current process.
Skilled Nursing Facility	Resident Rights (v.1)	New policy to reflect updated SNF regulations. Attached form: 'Resident Rights'.
Skilled Nursing Facility	Grievances (v.1)	New policy to reflect updated SNF regulations. Attached forms: 'Grievance Form' and 'Grievance Log'.
Skilled Nursing Facility	Bed Hold (v.1)	New policy to reflect updated SNF regulations. Attached two forms: 'Bed Hold Acknowledgement' and 'Bed Hold Notification'.
Skilled Nursing Facility	SNF Quality Assurance and Performance Improvement (QAPI) (v.1)	New policy per updated SNF Regulations.
Skilled Nursing Facility	Nursing Services - Sufficient Staff (v.1)	New policy to reflect updated SNF Regulations.
Skilled Nursing Facility	Skilled Nursing Facility Committee (IDCP) (v.4)	Annual review. Revised to reflect updated SNF Regulations.
Skilled Nursing Facility	Medication Regimen Review (v.1)	New policy to reflect updated SNF Regulations.

**BEAR VALLEY COMMUNITY HEALTHCARE DISTRICT
SPECIAL PLANNING & FACILITIES COMMITTEE
MEETING MINUTES
NOVEMBER 16, 2017**

MEMBERS	Donna Nicely, President	Nicole Wheeler, Medical Staff Assistant
PRESENT:	Jack Roberts, 2 nd Vice President	Michael Mursick, Plant Manager
	John Friel, CEO	
STAFF:	None	
ABSENT:	Garth Hamblin	Shelly Egerer, Executive Assistant
OTHER:	None	
COMMUNITY		
MEMBERS:	None	

OPEN SESSION

1. CALL TO ORDER

President Nicely called the meeting to order at 12:00 p.m.

2. ROLL CALL

Donna Nicely and Jack Roberts were present. Also present were John Friel, CEO, Mike Mursick, Plant Manager and Nicole Wheeler, Medical Staff Assistant. Absent was Shelly Egerer, Executive Assistant.

3. ADOPTION OF AGENDA*

President Nicely motioned to adopt the November 16, 2017 agenda as presented. Second by Board Member Roberts to adopt the November 16, 2017 agenda as presented. President Nicely called for the vote. A vote in favor of the motion was unanimously approved.

- President Nicely - yes
- Board Member Roberts- yes

CLOSED SESSION

1. PUBLIC FORUM FOR CLOSED SESSION

President Nicely opened the Hearing Section for Public Comment on Open Session items at 12:05 p.m. Hearing no request to address the Planning & Facilities Committee, President Nicely closed the Hearing Section at 12:06 p.m.

2. ADJOURN TO CLOSED SESSION*

Board Member Roberts motioned to adjourn to Closed Session at 12:06 pm. Second by President Nicely to adjourn to Closed Session. President Nicely called for the vote. A vote in favor of the motion was unanimously approved.

- President Nicely - yes
- Board Member Roberts- yes

OPEN SESSION

1. CALL TO ORDER:

President Nicely called the meeting to order at 1:30 p.m.

2. RESULTS OF CLOSED SESSION:

President Nicely stated there was no reportable action taken in Closed Session informational only.

3. PUBLIC FORUM FOR OPEN SESSION:

President Nicely opened the Hearing Section for Public Comment on Open Session items at 1:30 p.m. Hearing no request to address the Planning & Facilities Committee, President Nicely closed the Hearing Section at 1:30 p.m.

4. DIRECTOR'S COMMENTS:

- Board Member Roberts thanked staff for all of their hard work.

5. APPROVAL OF MINUTES:

A. October 26, 2017

President Nicely motioned to approve the October 26, 2017 minutes as presented. Second by Board Member Roberts to approve the October 26, 2017 minutes as presented. President Nicely called for a vote. A vote in favor of the motion was unanimously approved.

- President Nicely - yes
- Board Member Roberts- yes

6. OLD BUSINESS*

- None

7. NEW BUSINESS*

- None

8. PLANNING & FACILITIES*

A. Construction Project:

- Mr. Mursick reported the following:
 - Install Fire Riser & Nitrogen Compressor- Scheduled for December 2nd.
 - Room 30 Renovations- Cupboards complete, tile complete. Paint and vinyl next week.
 - Medical Gas Repairs- Annual inspection for medical gas. Compressor failing, in contact with vendors for smaller unit. Will purchase as soon as available.

B. Potential Equipment Requirements:

- Mr. Mursick reported the following:
 - Mezzanine Control Air Compressor- Portable compressor available if necessary.
 - Medical Air Compressor- Medical air on standby if current equipment fails.

C. Repairs Maintenance (FHC, RHC, PT, Hospital):

- Mr. Mursick reported the following:
 - Medical Gas Inspection Report- Minor repairs complete. Compressor for bulk oxygen and nitrous oxide bottles must be connected to emergency department paneling.
 - Fire Door Inspection- Minor repairs, vendor search for UL rated equipment.
 - Eye Stations- Following audit of stations, many stations were in unnecessary locations, these were removed and others required update.
 - PT Skylight- Complete, replaced.
 - Employee Entrance Door- Door ordered will receive in the next couple of weeks.
 - Signage- Improving signage, replacing large entrance sign next year. Signage within hospital has been replaced.
 - SNF kitchen has a failed drain, construction necessary to resolve the issue.

D. Q3 Fire Life Safety Report:

- Mr. Mursick reported
 - Completion of fire suppression for dietary.
 - Fire risers replaced.

President Nicely motioned to approve the Planning & Facilities Report as presented. Second by Board Member Roberts to approve the Planning & Facilities Report as presented. President Nicely called for the vote. A vote in favor of the motion was unanimously approved.

- President Nicely - yes
- Board Member Roberts- yes

9. ADJOURNMENT*

Board Member Roberts motioned to adjourn the meeting at 1:45 p.m. Second by President Nicely to adjourn the meeting. President Nicely adjourned the meeting.

- President Nicely - yes
- Board Member Roberts- yes



MEMO

Date: February 09, 2018
To: Board of Directors
From: John Friel, CEO
Re: William White, M.D., Amendment to Clinic Service Agreement
Paula Lebby, M.D. Clinic Service Agreement (Contract Renewal)

Recommendation:

The Board of Directors approve the William White, M.D., Amendment to Clinic Service Agreement and Paula Lebby, M.D. Clinic Service Agreement

Background:

Administration negotiated with Dr. White to pay the liability insurance through BETA. Dr. White's amendment is in line with OB/Gyn agreements with the district.

Dr. Lebby's service agreement is a two-year renewal for providing services at the clinic.

**FIRST AMENDMENT TO
BEAR VALLEY COMMUNITY HEALTHCARE DISTRICT
PHYSICIAN AGREEMENT FOR OB-GYN SERVICES AT THE RURAL HEALTH CLINICS
WITH
WILLIAM WHITE, M.D.**

This First Amendment to the Physician Agreement for OB-GYN Services at the Rural Health Clinics with William White, M.D. entered into on November 10, 2017 ("Agreement") is made and entered into as of the 1st day of January 2018 by and between Bear Valley Community Healthcare District ("District") and William White, M.D. ("Physician").

Whereas, prior to November 10, 2017, District had agreed to pay for Physician's Malpractice Insurance Premiums for the policy period of starting January 1, 2018 through the effective date of Physician's Agreement, November 9, 2019.

Whereas District and Physician hereby agree to amend the Agreement in accordance with their prior understanding and the terms and conditions of this First Amendment as set forth below:

Section X. of the Agreement is replaced and amended as follows:

SECTION X. INSURANCE.

PROFESSIONAL LIABILITY. Hospital shall maintain at Hospital's sole expense, a policy or policies of professional liability insurance as required by this Section. Such insurance shall provide coverage for Physician as the named insured, and such policy shall cover any acts of Physician's professional negligence which may have occurred during the relevant term and said policies of insurance shall be written with limits of liability of at least the minimum coverage required from time to time by the Medical Staff bylaws, but in any event no less than One Million Dollars (\$1,000,000.00) per claim/Three Million Dollars (\$3,000,000.00) annual aggregate for "claims made" insurance coverage. Hospital further shall maintain "continuous coverage," as defined by this Section for the entire relevant term. The relevant term shall commence on January 1, 2018 and shall continue through the term of this Agreement and for a period thereafter of no less than three (3) years. In order to maintain continuous coverage for the entire relevant term Hospital shall, if it changes insurers for any reason, take the necessary actions required in order to provide continuous coverage by either obtaining "tail" insurance from the preceding carriers, or "nose" insurance from the subsequent carriers. In order to satisfy the requirements of this Section, the "tail" insurance must be of either an unlimited type or of the type which would extend the discovery period beyond the last effective day of the last contract between the parties for a period of three (3) years. In order to satisfy the requirements of this Section for "nose" insurance, the retroactive effective date for such insurance must be at least the first date of the relevant term noted above. Hospital shall provide proof of current insurance and, in the event of modification, termination, expiration, non-renewal or cancellation of any of the aforesaid policies of insurance, Hospital shall give Physician written notice thereof within thirty (30) business days of Hospital's receipt of such notification from any of its insurers.

Physician hereby certifies that during the initial coverage period (January 1, 2018 through December 31, 2018) he has a reasonable basis for believing that at least seventy five percent (75%) of his obstetrical patients treated under the coverage of the malpractice insurance will either:

1. Reside in a Health Professional Shortage Area (HSPA) or Medically Underserved (MUA) Area; or
2. Be part of a Medically Underserved Population (MUP).

Physician hereby further certifies that, for each coverage period thereafter (not to exceed 1 year), at least 75 percent of Physician's obstetrical patients treated under the coverage of the obstetrical malpractice insurance during the prior period (not to exceed 1 year) either:

1. Resided in a rural area, HPSA, MUA, or an area with a demonstrated need for the physician's obstetrical services as determined by the Secretary in an advisory opinion issued in accordance with section 1877(g)(6) of the Act; or
2. Were part of a MUP.

Except as expressly amended and certified herein, all terms and conditions set forth in the Agreement with Physician entered into and effective on November 10, 2017, shall remain in full force and effect.

In Witness Whereof, the parties have executed this First Amendment as of the first date written above.

Dated: _____ By: _____
Rob Robbins, President, BOD
Bear Valley Community Healthcare District
P. O. Box 1649
Big Bear Lake, CA 92315

Dated: _____ By: _____
William White, M.D.
13 Pembroke Lane
Laguna Nigel, CA 92677

Shelly Egerer

From: Christina Meissner <CMeissner@MTBAttorneys.com>
Sent: Friday, January 19, 2018 4:27 PM
To: Shelly Egerer
Subject: RE: Dr. White's amendment
Attachments: First Amendment to Dr. White's Agreement.docx

Thank you for catching! The revised amendment is attached.

From: Shelly Egerer [mailto:Shelly.Egerer@bvchd.com]
Sent: Friday, January 19, 2018 2:59 PM
To: Christina Meissner <CMeissner@MTBAttorneys.com>
Subject: RE: Dr. White's amendment

Christina,

The document has a typo on page 2; the Dec. 31 date should not be 2017.

I cannot fix the typo because this is a pdf.

From: John Friel
Sent: Wednesday, January 17, 2018 10:09 AM
To: Garth Hamblin <Garth.Hamblin@bvchd.com>
Cc: Shelly Egerer <Shelly.Egerer@bvchd.com>
Subject: FW: Dr. White's amendment

Hi

doing some final work on dr. White's contract for OB/GYN services.

Are we still designated a "Medically underserved area" and /or " Health professional Shortage Area" ?

Do we have a letter/ certificate stating that??? And when does it expire or need to be renewed?

John

From: Christina Meissner [mailto:CMeissner@MTBAttorneys.com]
Sent: Tuesday, January 16, 2018 3:54 PM
To: John Friel <John.Friel@bvchd.com>
Cc: Deborah Tropp <DTropp@MTBAttorneys.com>
Subject: Dr. White's amendment

John,

While we are not certain this would pass if audited, the attached amendment this is the best we can do. As you will note, by signing the amendment, Dr. White is certifying that he reasonably believes 75% percent of his OB practice will be treating patients in medically underserved areas, Health Professional Shortage Area, or medically underserved population and the same certification is made for the second policy period.

Please let us know if there are any questions.

Thank you,
Christina

From: John Friel

Sent: Thursday, February 01, 2018 5:58 PM

To: Mary Norman <Mary.Norman@bvchd.com>

Cc: Shelly Egerer <Shelly.Egerer@bvchd.com>

Subject: FMV OB/GYN

Hi

According to the MGMA western region median for an OB/GYN is \$330,000 per year.

If we use the calculation of 2080 hr/year that equals \$159.00 per hr and if they see 2pt's /hr it equals \$79 / pt.visit.

Mt Community Hospital uses this basis for their contract calculation for their clinic OB/GYN.

This supports our offer to Dr's White and Lebby of \$75 per clinic visit.

How would you suggest I memorialize this for our FMV to the contract addendum???

John



Contract Cover Sheet

Contract Name: Paula Lebbby, MD

Purpose of Contract: CLINIC SERVICES

Contract # / Effective Date / Term 4-1-18 - 3-31-20

Originating Dept. Name / Number: _____

Department Manager Signature: Smurzak Date: 1/12/18

BAA: ☒ Yes ☐ No
on file

W-9: ☒ Yes ☐ No
on file

<u>Administrative Officer</u>	Signature: <u>NA</u>	Date: <u>NA</u>
<u>HIPAA/Privacy Officer</u> (as appropriate)	Signature: <u>NA</u>	Date: <u>NA</u>
<u>Legal Counsel</u>	Signature: <u>email attached</u>	Date: <u>1-11-18</u>
<u>Compliance Officer</u>	Signature: <u>Mary Norman</u>	Date: <u>1-12-18</u>
<u>Chief Financial Officer</u>	Signature: <u>[Signature]</u>	Date: <u>3 Jan 2018</u>
<u>Chief Executive Officer</u>	Signature: <u>[Signature]</u>	Date: <u>1-16-18</u>
<u>Board of Directors</u> When Applicable	Signature: _____	Date: _____

1. Final Signatures on Contract, BAA & W-9: Date: _____
2. Copy of Contract/BAA/W-9 forwarded to Department Manager: Date: _____
3. Copy of Contract/BAA/W-9 forwarded to Contractor (if applicable): Date: _____
4. Copy of Contract/BAA/W-9 scanned/mailed to Controller and Legal: Date: _____
(if applicable)

Contract Cover Sheet CONFIDENTIAL NOTICE:

Note: This document and attachments are covered by CA Evidence Code 1157 and CA Health and Safety Code 1370.
NOTICE TO RECIPIENT: If you are not the intended recipient of this, you are prohibited from sharing, copying or otherwise using or disclosing its contents. If you have received this document in error, please notify the sender immediately by reply email and permanently delete this document and any attachments without reading, forwarding or saving them. Thank you
Updated 5/2017



**BEAR VALLEY COMMUNITY HEALTHCARE DISTRICT
PHYSICIAN AGREEMENT FOR OB-GYN SERVICES AT THE RURAL HEALTH CLINICS
WITH
PAULA NORNES-LEBBY, M.D.**

THIS PHYSICIAN AGREEMENT ("Agreement") is made and entered into as of the 1st day of April 2018 by and between Bear Valley Community Healthcare District (a public entity), ("Hospital") and Paula Nornes-Lebby, M.D., ("Physician").

RECITALS

WHEREAS, Hospital, is the owner and operator of a general acute care hospital located in Big Bear Lake, California. Hospital has a federally approved hospital-based 95-210 Rural Health Clinic known as the Family Health Center ("the Clinic"), under which Hospital may contract with physicians and physician extenders to provide medical treatment to the Clinic's patients.

WHEREAS, Physician is licensed by the Medical Board of California to practice medicine, and is qualified to perform OB-GYN services for the hospital's Clinic patients.

WHEREAS, Hospital desires to retain the services of Physician to provide professional medical services, and Physician desires to so contract with Hospital to furnish those services.

NOW THEREFORE, in consideration of the mutual covenants, undertakings and promises contained herein, as well as other good and valuable consideration, the receipt and adequacy of which is hereby acknowledged, and intending to be legally bound hereby, the parties hereto agree as follows:

AGREEMENTS

SECTION I. RESPONSIBILITIES OF PHYSICIAN.

- A. **SERVICES.** During the term of this Agreement, Physician agrees to the following:
1. Physician shall provide part-time professional OB-GYN services at the Clinic, practicing on a minimum of a 1 day per week basis.
 2. Physician shall maintain medical records for all patients consistent with standard industry practices and shall provide such other record keeping and administrative services as may be reasonably requested by Hospital. All medical records remain the property of the Hospital.
 3. Physician shall cooperate with any quality management and utilization management programs instituted by Hospital.
- B. **ACCESS TO BOOKS AND RECORDS.** If the value or cost of Services rendered to Hospital pursuant to this Agreement is Ten Thousand Dollars (\$10,000.00) or more over a twelve- month period, Physician agrees as follows:
1. Until the expiration of four (4) years after the furnishing of such Services, Physician shall, upon written request, make available to the Secretary of the Department of Health and Human Services (the "Secretary"), the Secretary's duly-authorized

representative, the Comptroller General, or the Comptroller General's duly-authorized representative, such books, documents and records as may be necessary to certify the nature and extent of the cost of such Services; and

2. If any such Services are performed by way of subcontract with another organization and the value or cost of such subcontracted services is Ten Thousand Dollars (\$10,000.00) or more over a twelve (12) month period, such subcontract shall contain, and Physician shall enforce, a clause to the same effect as subparagraph 1. immediately above.

The availability of Physician's books, documents, and records shall be subject at all times to all applicable legal requirements, including without limitation, such criteria and procedures for seeking and obtaining access that may be promulgated by the Secretary by regulation. The provisions of subparagraphs 1. and 2. of Section I.B. shall survive expiration or other termination of this Agreement, regardless of the cause of such termination.

- C. Physician will not carry out any of the duties of the Agreement through a subcontract.
- D. **ETHICS.** In performing services under this Agreement, Physician shall use his/her best and most diligent efforts and professional skills; perform professional supervisory services; render care to patients in accordance with and in a manner consistent with the high standards of medicine; conduct himself/herself in a manner consistent with the principles of medical ethics promulgated by the American Medical Association; and comply with the Hospital's rules and regulations.
- E. In respect to Physician's performance of Physician's professional duties, the Hospital shall neither have nor exercise control or direction over the specific methods by which Physician performs Physician's professional clinical duties. The Hospital's sole interest shall be to ensure that such duties are rendered in a competent, efficient and satisfactory manner.
- F. Physician recognizes that the professional reputation of the Hospital is a unique and valuable asset. Physician shall not make any negative, disparaging or unfavorable comments regarding the Hospital or any of its owners, officers and/or employees to any person, either during the term of this Agreement or following termination of this Agreement.
- G. **NOTIFICATION OF CERTAIN EVENTS.** Physician shall notify Hospital in writing within three (3) business days after the occurrence of any one or more of the following events:
 1. Physician's medical staff membership or clinical privileges at any hospital are denied, suspended, restricted, revoked or voluntarily relinquished;
 2. Physician becomes the subject of any suit, action or other legal proceeding arising out of Physician's professional services;
 3. Physician is required to pay damages or any other amount in any malpractice action by way of judgment or settlement;
 4. Physician becomes the subject of any disciplinary proceeding or action before any state's medical board or similar agency responsible for professional standards or behavior;
 5. Physician becomes incapacitated or disabled from practicing medicine;
 6. Any act of nature or any other event occurs which has a material adverse affect on Physician's ability to perform the Services under this Agreement;
 7. Physician changes the location of her offices;
 8. Physician is charged with or convicted of a criminal offense; or

9. Physician is debarred, suspended, or otherwise excluded from any federal and/or state health care payment program by action of the Office of Inspector General of the Department of Health and Human Services or Medi-Cal Office, or by any equivalent or coordinating governmental agencies.
- H. COORDINATION OF SERVICES. Physician shall cooperate with Hospital, through its Chief Executive Officer, in connection with providing the Services.

SECTION II. REPRESENTATIONS AND WARRANTIES

Physician represents and warrants to Hospital, upon execution and throughout the term of this Agreement as follows:

- A. Physician is not bound by any agreement or arrangement which would preclude Physician from entering into, or from fully performing the services required under this Agreement;
- B. Physician's license to practice medicine in the State of California or in any other jurisdiction has never been denied, suspended, revoked, terminated, voluntarily relinquished under threat of disciplinary action, or made subject to terms of probation or any other restriction;
- C. Physician's medical staff privileges at any health care facility have never been denied, suspended, revoked, terminated, voluntarily relinquished under threat of disciplinary action, or restricted in any way;
- D. Physician shall perform the services required hereunder in accordance with: (1) all applicable federal, state, and local laws, rules and regulations; (2) all applicable standards of care of relevant accrediting organizations; and (3) all applicable Bylaws, Rules and Regulations of Hospital and its Medical Staff;
- E. Physician has not in the past conducted and is not presently conducting Physician's medical practice in such a manner as to cause Physician to be suspended, excluded, barred or sanctioned under the Medicare or Medi-Cal Programs or any government licensing agency, and has never been convicted of an offense related to health care, or listed by a federal agency as debarred, excluded or otherwise ineligible for federal program participation;
- F. Physician has, and shall maintain throughout the term of this Agreement, an unrestricted license to practice medicine in the State of California and staff membership privileges at Hospital;
- G. Physician has disclosed and will at all times during the term of this Agreement promptly disclose to the Hospital: (1) the existence and basis of any legal, regulatory, professional or other proceeding against Physician instituted by any person, organization, governmental agency, health care facility, peer review organization, or professional society which involves any allegation of substandard care or professional misconduct raised against Physician; and (2) any allegation of substandard care or professional misconduct raised against Physician by any person, organization, governmental agency, health care facility, peer review organization or professional society.
- H. Physician agrees to promptly disclose any change to the status of his license to practice medicine or any changes the status of any privileges Physician may have at any other health care facility;

- I. Physician shall deliver to the Hospital promptly upon request copies of all certificates, registrations, certificates of insurance and other evidence of Physician's compliance with the foregoing as reasonably requested by the Hospital; and
- J. Physician shall participate in all government and third-party payment or managed care programs in which Hospital/Clinic participates, render services to patients covered by such programs, and accept the payment amounts provided for under these programs as payment in full for services of Physician to Hospital/Clinic's patients. If Hospital/Clinic deems it advisable for Physician to contract with a payer with which Hospital/Clinic has a contract, Physician agrees in good faith to negotiate a contractual agreement equal to the reasonable prevailing reimbursement rates for OBGYNs within the geographic area of Hospital/Clinic.

SECTION III. INDEMNIFICATION OF LIABILITY.

Physician agrees to indemnify, defend and hold harmless Hospital and its governing board, officers, employees and agents from and against any and all liabilities, costs, penalties, fines, forfeitures, demands, claims, causes of action, suits, and costs and expenses related thereto (including reasonable attorney's fees) which any or all of them may thereafter suffer, incur, be responsible for or pay out as a result of bodily injuries (including death) to any person or damage to any property (public or private), alleged to be caused by or arising from: (1) the negligent or intentional acts, errors, or omissions of Physician; (2) any violations of federal, state, or local statutes or regulations arising out of or resulting from any negligent act, error or omission of Physician; (3) the use of any copyrighted materials or patented inventions by Physician; or (4) Physician's breach of its warranties or obligations under this Agreement. The rights and obligations created by this indemnification provision shall survive termination or expiration of this Agreement.

SECTION IV. INDEPENDENT CONTRACTOR.

In performing the services herein specified, Physician is acting as an independent contractor, and shall not be considered an employee of Hospital. In no event shall this Agreement be construed as establishing a partnership or joint venture or similar relationship between the parties hereto, and nothing herein contained shall be construed to authorize either party to act as agent for the other. Physician shall be liable for Physician's own debts, obligations, acts and omissions, including the payment of all withholding, social security and other taxes and benefits. As an independent contractor, Physician is responsible for filing such tax returns and paying such self-employment taxes as may be required by law or regulations.

SECTION V. COMPENSATION.

At the end of each month, Physician shall submit to the administration a completed time sheet of time spent in the Family Health Clinic seeing patients. Upon receipt of completed and signed provider time sheet for services rendered under this Agreement, Hospital shall pay Physician, as for sole compensation hereunder, on a fee per visit basis at \$75.00 (Sixty-Five Dollars) per billable visit. A billable visit is a face to face encounter where services are rendered at a level that justifies a clinic charge of 99201 or higher for a new patient, or 99212 or higher for an established patient, or 99381 or higher for a preventative medicine visit. "No charge/courtesy" visits are not eligible for provider payment. Hospital will provide Physician a list of patients seen per Hospital records that supports the payment made to Physician. All patient billings for Physician services remain the property of Hospital. Monthly payments to Physician shall be made on or before the 10th (tenth) day of the month, following the month in which services are rendered.

SECTION VI. COMPLIANCE.

- A. Hospital is committed to compliance with all billing and claims submission, fraud and abuse laws and regulations. In contracting with Hospital, physician agrees to act in compliance with all laws and regulations. Hospital has completed a Compliance Program to assure compliance with laws and regulations. Physician is therefore expected to comply with the policies of the Hospital Compliance Program.

At a minimum, Physician is expected to:

1. Be aware of those procedures which affect the physician and which are necessary to implement the Compliance Program, including the mandatory duty of Physician to report actual or possible violations of fraud and abuse laws and regulations; and
 2. Understand and adhere to standards, especially those which relate to the Physician's functions for or on behalf of the District/Hospital.
- B. Failure to follow the standards of Hospital's Compliance Programs (including the duty to report misconduct) may be considered to be a violation of the Physician's arrangement with the Hospital and may be grounds for action by Hospital, including termination of the relationship.

SECTION VII. TERM.

This Agreement is effective from April 1, 2018 to March 31, 2020; however, this Agreement is subject to early termination as provided in Section. VIII. below.

SECTION VIII. EARLY TERMINATION.

- A. Hospital may terminate this Agreement immediately upon written notice to Physician based on the occurrence of any of the following events:
1. Physician's license to practice medicine is suspended, revoked, terminated, or otherwise restricted;
 2. Physician's medical staff privileges at the Hospital, or any other healthcare facility, are in any way suspended, revoked, or otherwise restricted;
 3. Medicare and/or Medi-Cal significantly changes the RHC program;
 4. Hospital fails to maintain RHC status;
 5. Physician Services Agreement is terminated or expires;
 6. Physician's failure to comply with the standards of the Hospital's Compliance Program, to the extent that such failure results in material fine and or sanction from Medicare or Medi-Cal Program;
 7. Physician fails to complete medical records in a timely fashion;
 8. Physician fails to maintain the minimum professional liability insurance coverage;
 9. Physician inefficiently manages patients and such inefficient management has not been cured after 30 days written notice from the Hospital;
 10. Physician's inability to work with and relate to others, including, but not limited to patients and ancillary staff, in a respectful, cooperative and professional manner and such inability has not been cured after 30 days written notice from the Hospital;
 11. Physician is unable to provide medical services under the terms of this Agreement due to a physical or mental disability;
 12. Physician becomes impaired by the use of alcohol or the abuse of drugs;
 13. Physician is convicted of any criminal offense, regardless of whether such action arose out of Physician's provision of professional services;

14. Physician commits any act of fraud as determined by reasonable discretion of the Board whether related to the Physician's provision of professional services or otherwise; or
15. A mutual written agreement terminating this Agreement is entered into between the Hospital and Physician.

B. Either party may terminate this Agreement for material breach; provided that the non-defaulting party shall give written notice of the claimed default, and the other party shall have 30 days to cure such performance, failing which, this Agreement may thereafter be immediately terminated by the non-defaulting party.

C. Either party may terminate this Agreement, without cause, by providing the other party ninety (90) days prior written notice.

D. **EFFECT OF TERMINATION.** In the event that this Agreement is terminated for any reason, Physician shall be entitled to receive only the amount of compensation earned prior to the date of termination.

E. **TERMINATION WITHIN FIRST TWELVE (12) MONTHS.** If this Agreement is terminated, with or without cause, during the first twelve (12) months of the term, the parties shall not enter any new agreement or arrangement during the remainder of such twelve (12) month period.

SECTION IX. CONFIDENTIALITY.

Physician shall not disclose to any third party, except where permitted or required by law or where such disclosure is expressly approved by the patient in writing, any patient or medical record information regarding Hospital patients (including Family Health Center patients), and Physician shall comply with all federal and state laws and regulations, and all rules, regulations, and policies of Hospital and its Medical Staff, regarding the confidentiality of such information from Hospital or Family Health Center patients receiving treatment of any kind, including treatment for alcohol and drug abuse. Physician is fully bound by the provisions of the federal regulations governing Confidentiality of Alcohol and Drug Abuse Patient Records as codified at 42 C.F.R. Chapter 1, Part 2, enacted pursuant to 42 U.S.C. 290ee, and agrees to be separately bound by a Business Associate Agreement drafted pursuant to HIPAA as set forth in Public Law 104-191, as codified at 42 U.S.C. 1301 et. seq.

SECTION X. INSURANCE.

PROFESSIONAL LIABILITY. Hospital shall maintain at Hospital's sole expense, a policy or policies of professional liability insurance as required by this Section. Such insurance shall provide coverage for Physician as the named insured, and such policy shall cover any acts of Physician's professional negligence which may have occurred during the relevant term and said policies of insurance shall be written with limits of liability of at least the minimum coverage required from time to time by the Medical Staff bylaws, but in any event no less than One Million Dollars (\$1,000,000.00) per claim/Three Million Dollars (\$3,000,000.00) annual aggregate for "claims made" insurance coverage. Hospital further shall maintain "continuous coverage," as defined by this Section for the entire relevant term. The relevant term shall commence with the date of this Agreement and shall continue through the term of this Agreement, as well as any extensions or renewals thereof, and for a period thereafter of no less than three (3) years. In order to maintain continuous coverage for the entire relevant term Hospital shall, if it changes insurers for any reason, take the necessary actions required in order to provide continuous coverage by either obtaining "tail" insurance from the preceding carriers, or "nose" insurance from the subsequent carriers. In order to satisfy the requirements

of this Section, the "tail" insurance must be of either an unlimited type or of the type which would extend the discovery period beyond the last effective day of the last contract between the parties for a period of three (3) years. In order to satisfy the requirements of this Section for "nose" insurance, the retroactive effective date for such insurance must be at least the first date of the relevant term noted above. Hospital shall provide proof of current insurance and, in the event of modification, termination, expiration, non-renewal or cancellation of any of the aforesaid policies of insurance, Hospital shall give Physician written notice thereof within thirty (30) business days of Hospital's receipt of such notification from any of its insurers.

SECTION XI. ASSIGNMENT.

Physician shall not assign, sell, or otherwise transfer his/her Agreement or any interest in it without written consent of Hospital.

SECTION XII. NOTICES.

The notice required by this Agreement shall be effective if mailed, one (1) business day after the day on which the notice was sent via overnight mail, addressed as follows:

Hospital: John Friel, Chief Executive Officer
Bear Valley Community Healthcare District
P. O. Box 1649
Big Bear Lake, CA 92315

Physician: Paula Nornes-Lebby, M.D.
PO Box 6926
Big Bear Lake, CA. 92315

SECTION XIII. PRE EXISTING AGREEMENT.

This Contract replaces and supersedes any and all prior arrangements or understandings by and between Hospital and Physician with regard to the subject matter hereof.

SECTION XIV. HOSPITAL NOT PRACTICING MEDICINE.

This Agreement shall in no way be construed to mean or suggest that Hospital is engaged in the practice of medicine.

SECTION XV. ENTIRE AGREEMENT.

This Agreement constitutes the entire Agreement, both written and oral, between the parties, and all prior or contemporaneous agreements respecting the subject matter hereof, whether written or oral, express or implied, are suppressed. This Agreement may be modified only by written agreement signed by both of the parties.

SECTION XVI. SEVERABILITY.

The non-enforceability, invalidity, or illegality of any provision to this Agreement shall not render the other provisions unenforceable, invalid or illegal.

SECTION XVII. GOVERNING LAW.

This Agreement shall be governed under the laws of the State of California. In the event of any dispute arising between the parties arising out of or related to this Agreement, the parties agree that such dispute shall be settled by binding arbitration, pursuant to the rules of the American Arbitration Association, San Bernardino County.

SECTION XVIII. REFERRALS.

The parties acknowledge that none of the benefits granted Physician is conditioned on any requirement that Physician make referrals to, be in a position to make or influence referrals to, or otherwise generate business for Hospital. The parties further acknowledge that Physician is not restricted from establishing staff privileges at, referring any service to, or otherwise generating any business for any other facility of Physician's choosing.

SECTION XIX. ANTI-HARASSMENT/DISCRIMINATION/RETALIATION

The parties are prohibited from engaging in any discriminatory, harassing, or retaliatory conduct, and Doctor agrees to fully comply with all applicable local, state and federal anti-discrimination and employment-related regulations and laws.

SECTION XXI. HIPAA BUSINESS ASSOCIATE AGREEMENT.

The parties have concurrently with the execution of this Agreement, executed Exhibit A entitled HIPAA Business Associates Agreement, which Exhibit is attached hereto and incorporated herein by reference.

In Witness Whereof, the parties have executed this Agreement as of the first date written above.

Dated: _____ By: _____
John Friel, CEO
Bear Valley Community Healthcare District
P. O. Box 1649
Big Bear Lake, CA 92315

Dated: _____ By: _____
Paula Nornes-Lebby, M.D.
PO Box 6926
Big Bear Lake, CA. 92315

Shelly Egerer

From: Christina Meissner <CMeissner@MTBAttorneys.com>
Sent: Thursday, January 11, 2018 12:25 PM
To: Shelly Egerer
Cc: Deborah Tropp
Subject: RE: Paula Lebby MD 2016-final by legal counsel 3-17-16
Attachments: Paula Lebby MD 2018-MTB revised.docx

Hi Shelly-

Dr. Lebby's updated agreement is attached.

Thanks,
Christina

From: Shelly Egerer [mailto:Shelly.Egerer@bvchd.com]
Sent: Wednesday, January 3, 2018 2:40 PM
To: Deborah Tropp <DTropp@MTBAttorneys.com>; Christina Meissner <CMeissner@MTBAttorneys.com>
Subject: Paula Lebby MD 2016-final by legal counsel 3-17-16

Good afternoon,

Attached is Dr. Lebby's contract that requires your review, please.

Best Wishes,

Shelly Egerer
Executive Assistant
Bear Valley Community Healthcare District
(909) 878-8214 Phone
(909) 878-8282 Fax

Note: This email document and attachments are covered by CA Evidence Code 1157 and CA Health and Safety Code 1370.

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SUMMARY RESULTS

Bear Valley Community Healthcare District 2018 Governance Self-Assessment

Provided as a Member Service By



ACHD

ASSOCIATION OF CALIFORNIA
HEALTHCARE DISTRICTS

SUMMARY RESULTS

2018 Bear Valley Community Healthcare District Governance Self-Assessment

Self-Assessment Overview

In December 2017 - January 2018 the Bear Valley Community Healthcare District Board of Directors assessed the board's overall leadership performance. The board also identified issues and priorities for the future.

Board members assessed the board's overall performance in ten leadership areas, including:

- Mission, values and vision;
- Strategic direction;
- Leadership structure and processes;
- Quality and patient safety;
- Community relationships;
- Relationship with the CEO;
- Relationships with the medical staff;
- Financial leadership;
- Community health; and
- Organizational ethics.

Board members rated 167 total criteria in these ten areas.

How the Self-Assessment Was Conducted

The governance self-assessment was conducted using an online survey. Four Bear Valley Community Healthcare District board members completed the self-assessment.

Respondents rated a variety of statements in the ten areas above, using a scale ranging from "Level 5 (Strongly Agree)" to "Level 1 (Completely Disagree)." "Not Sure" and "Not Applicable" choices were also available for each statement.

Mean scores for each statement were calculated using a five point scale (Level 5 - Level 1). No points were assigned to "Not Sure" and "Not Applicable" ratings.

Finally, board members provided insights about their priorities for the board in the next year; defined the board's strengths and weaknesses; identified key issues that should occupy the board's time and attention in the next year; provided insights about the most significant trends the board must be able to understand and deal with in the next year; and identified critical factors that must be addressed for the organization to successfully achieve its goals.

Rating Methodology

The following rating scale was used to evaluate overall board performance:

- **Level 5:** I *strongly agree* with this statement. We always practice this as a part of our governance. Our performance in this area is *outstanding*.
- **Level 4:** I *generally agree* with this statement. We usually practice this as a part of our governance, but not always. We perform *well* in this area.
- **Level 3:** I *somewhat agree* with this statement. We often practice this in our governance, but we are not consistent. We perform *fairly well* in this area.
- **Level 2:** I *somewhat disagree* with this statement. We inconsistently practice this as a part of our governance. We *do not perform well* in this area.
- **Level 1:** I *disagree* with this statement. We never practice this as a part of our governance. We perform *very poorly* in this area.
- **N/S:** Not sure. I do not have enough information to make a determination about our performance in this area.
- **N/A:** Not applicable.

Reviewing This Report

Board member ratings of board self-assessment criteria are depicted throughout this report in graphs.

The criteria in each graph are displayed in order from highest to lowest mean score. The mean score for each individual rating criterion appears to the right of the graph.

To facilitate the identification of areas that may require governance and/or management attention, each graph includes the number of Level 5 - Level 1 responses to each statement in the color-coded bars. Responses are grouped and color coded, with "Level 5" appearing in dark green, "Level 4" in light green, "Level 3" in yellow, "Level 2" in orange, and "Level 1" in red. "Not Sure" responses appear in gray, and "Not Applicable" responses appear in white.

Longer lists of criteria have been separated into higher and lower rated sections for ease of display and analysis.

Board member responses to all open-ended questions appear throughout the report, where applicable, and on pages 28-29.

SUMMARY RESULTS

2018 Bear Valley Community Healthcare District Governance Self-Assessment

Mission, Values and Vision

Mission, Values and Vision

(sorted by highest to lowest mean score)



Suggestions for Governance Improvement

Board members provided the following suggestions for governance improvement in this section:

- While mission, values and vision is not always the mainstay of discussions regarding changes, improvements, etc., I believe it is certainly in our minds as the basis for our decision-making.
- Not be self-serving or seeking personal fulfillment from service on the board.

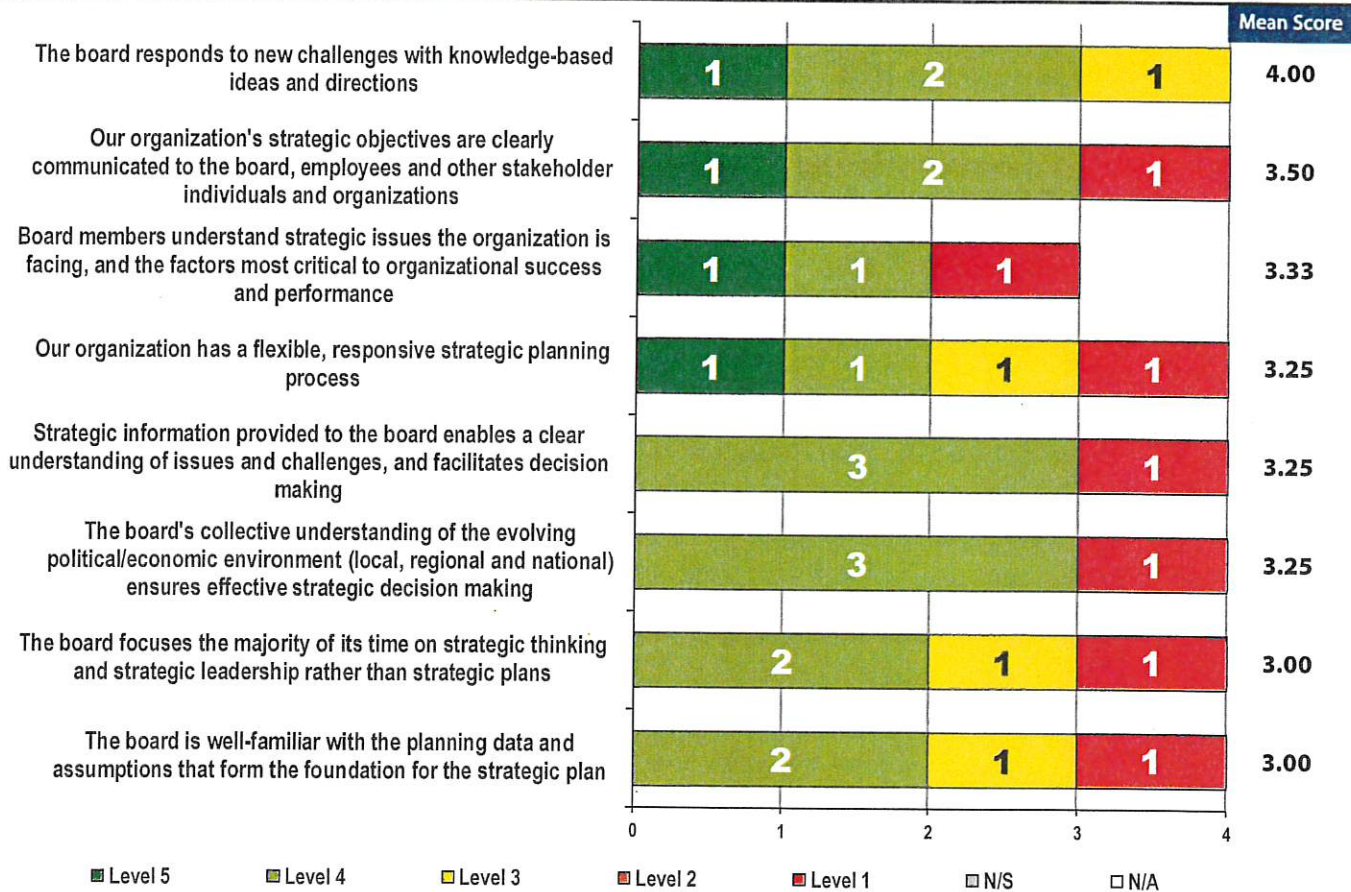
SUMMARY RESULTS

2018 Bear Valley Community Healthcare District Governance Self-Assessment

Strategic Direction

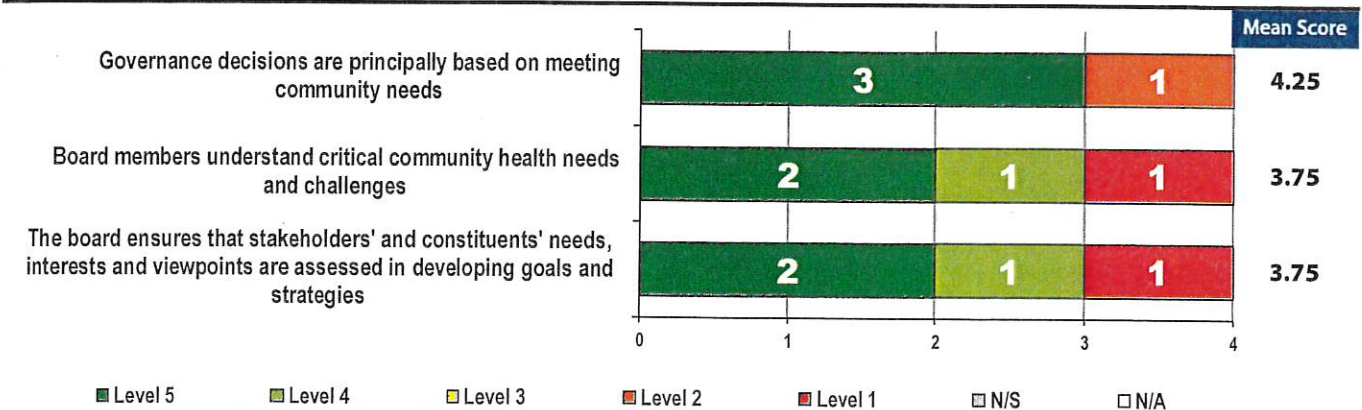
The Strategic Planning Process

(sorted by highest to lowest mean score)



Community and Stakeholder Perspectives

(sorted by highest to lowest mean score)

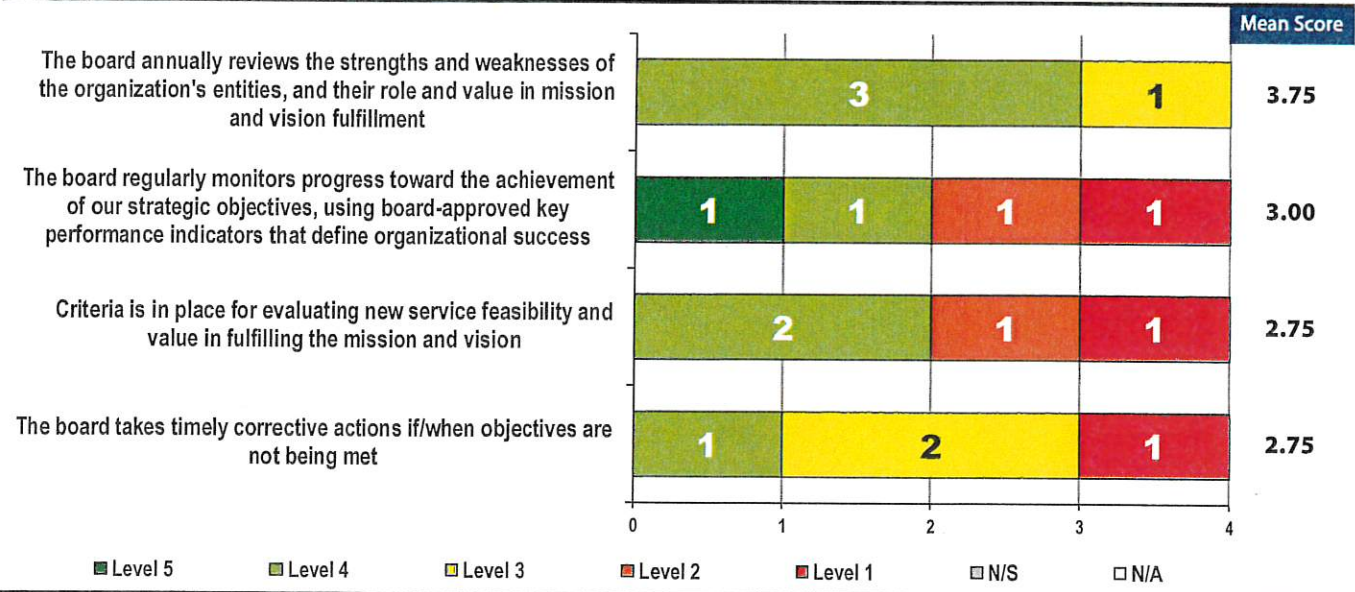


SUMMARY RESULTS

2018 Bear Valley Community Healthcare District Governance Self-Assessment

Monitoring Progress

(sorted by highest to lowest mean score)



Suggestions for Governance Improvement

Board members provided the following suggestions for governance improvement in this section:

- When dealing with QHR's recommendations regarding a Strategic Plan, we all must set aside any specific ideation(s) about certain aspects of the Plan that might not be a specific focus that must be set aside to come together for the common good or improvement being presented. This is naturally not an easy objective to meet at all times.
- Do something with the results of the survey and be strategic in governance.

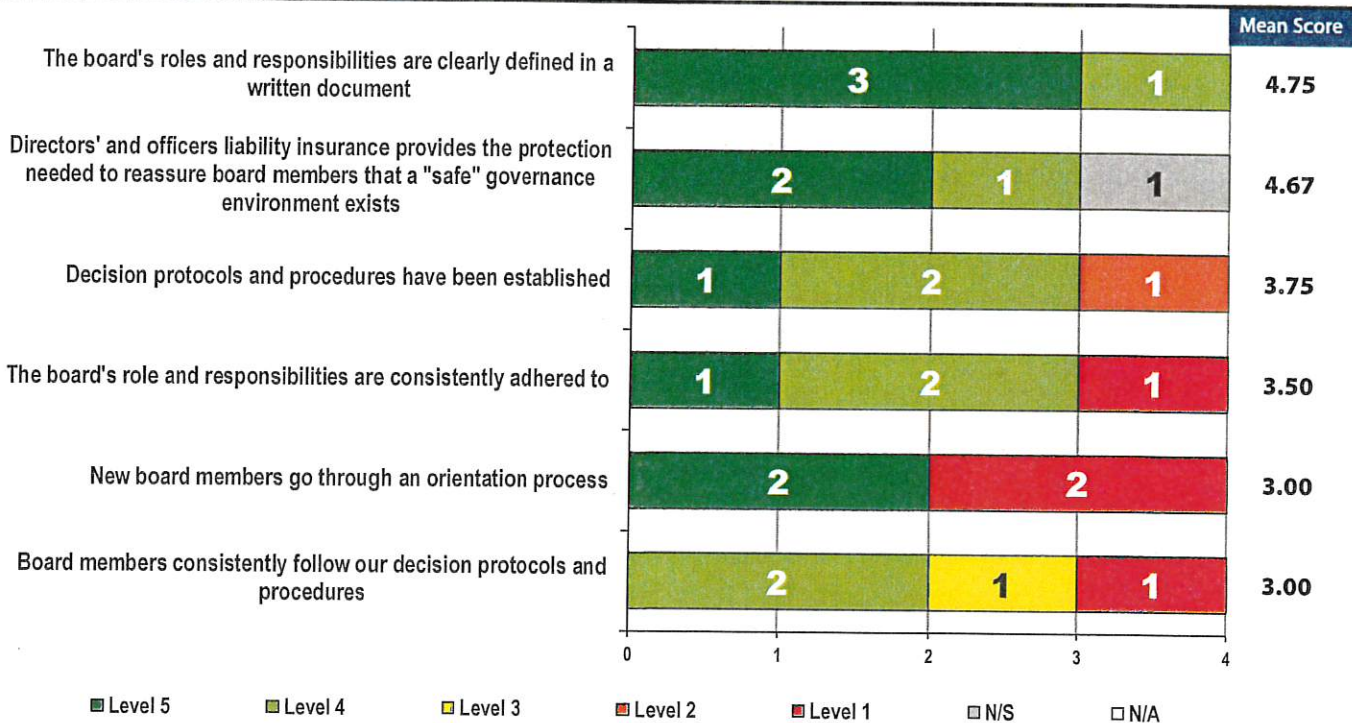
SUMMARY RESULTS

2018 Bear Valley Community Healthcare District Governance Self-Assessment

Leadership Structure and Processes

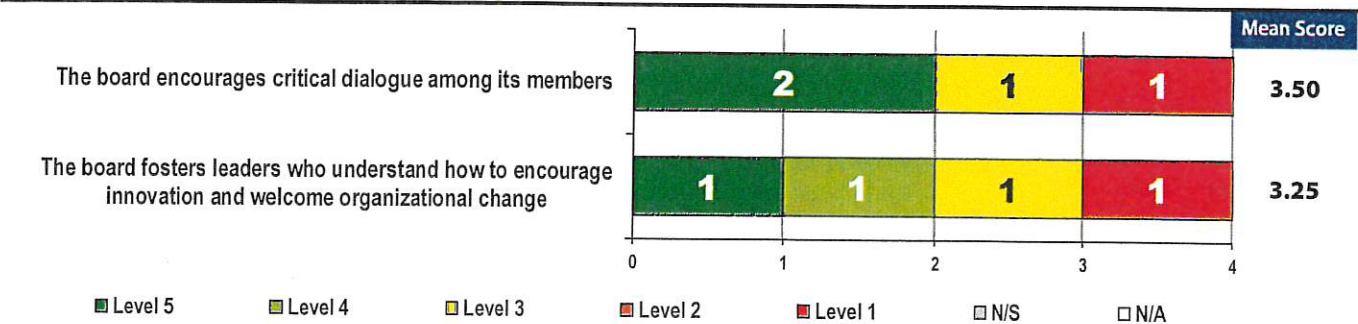
Board Roles and Responsibilities

(sorted by highest to lowest mean score)



Board Structure and Composition

(sorted by highest to lowest mean score)

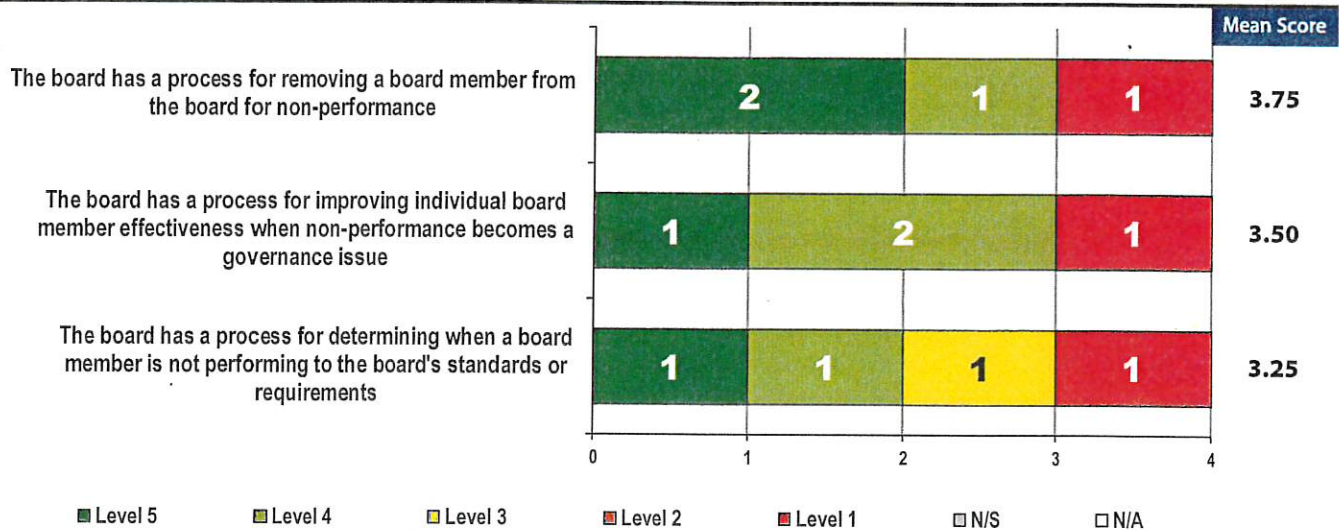


SUMMARY RESULTS

2018 Bear Valley Community Healthcare District Governance Self-Assessment

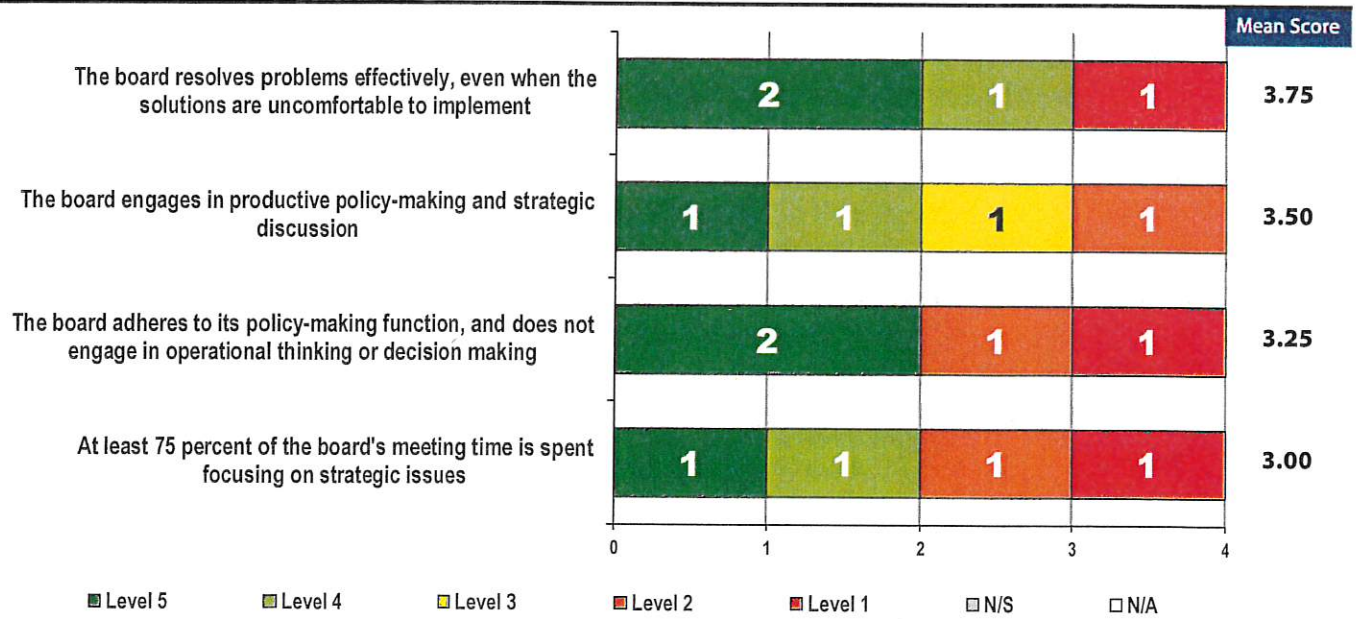
Board Member Performance

(sorted by highest to lowest mean score)



Strategic Focus

(sorted by highest to lowest mean score)



SUMMARY RESULTS

2018 Bear Valley Community Healthcare District Governance Self-Assessment

Board Meetings

(sorted by highest to lowest mean score)

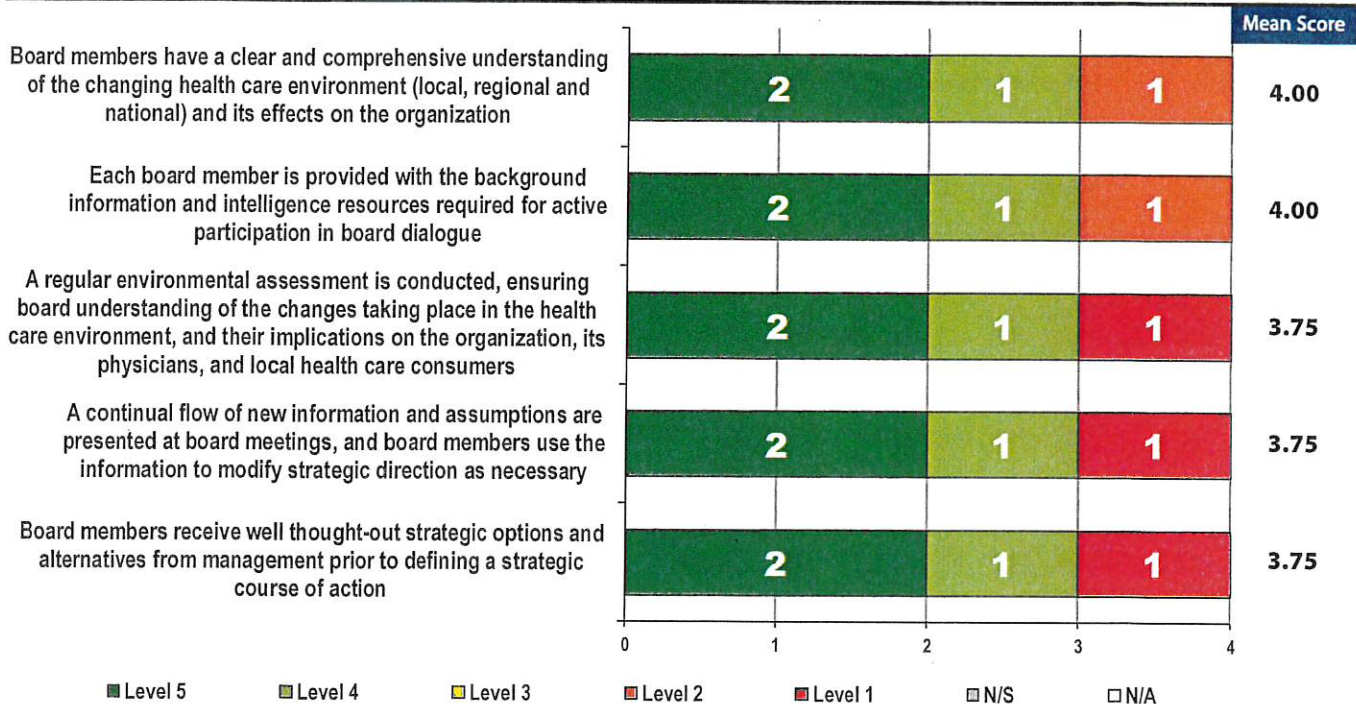


SUMMARY RESULTS

2018 Bear Valley Community Healthcare District Governance Self-Assessment

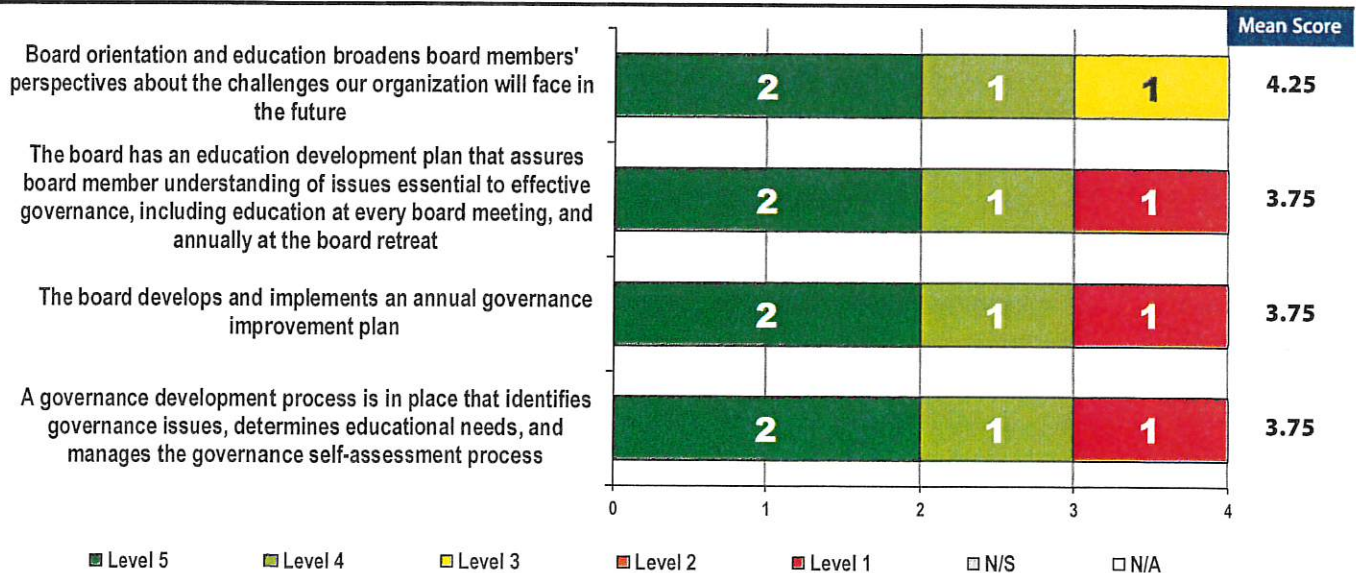
Board Member Knowledge

(sorted by highest to lowest mean score)



Governance Development

(sorted by highest to lowest mean score)

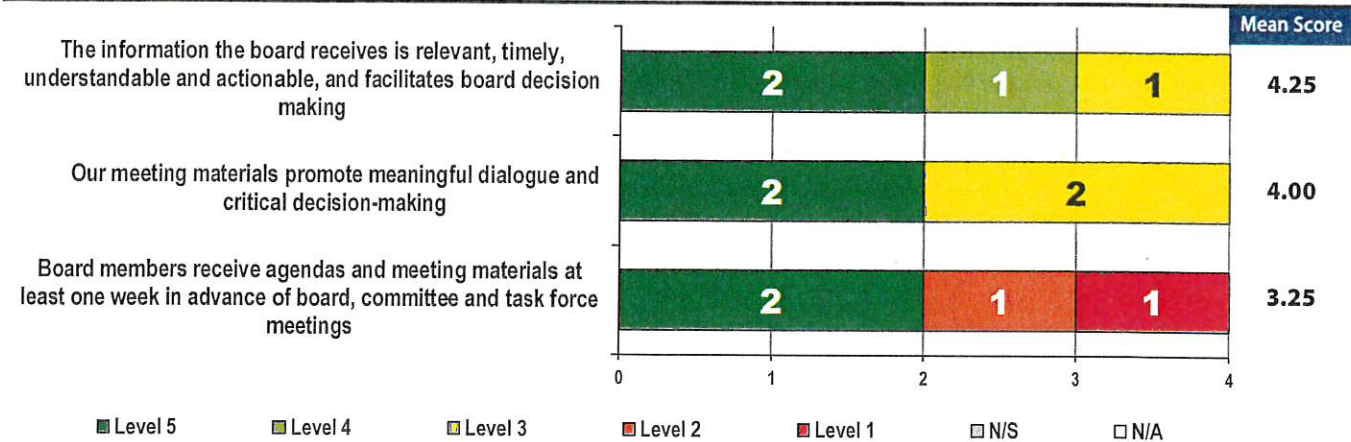


SUMMARY RESULTS

2018 Bear Valley Community Healthcare District Governance Self-Assessment

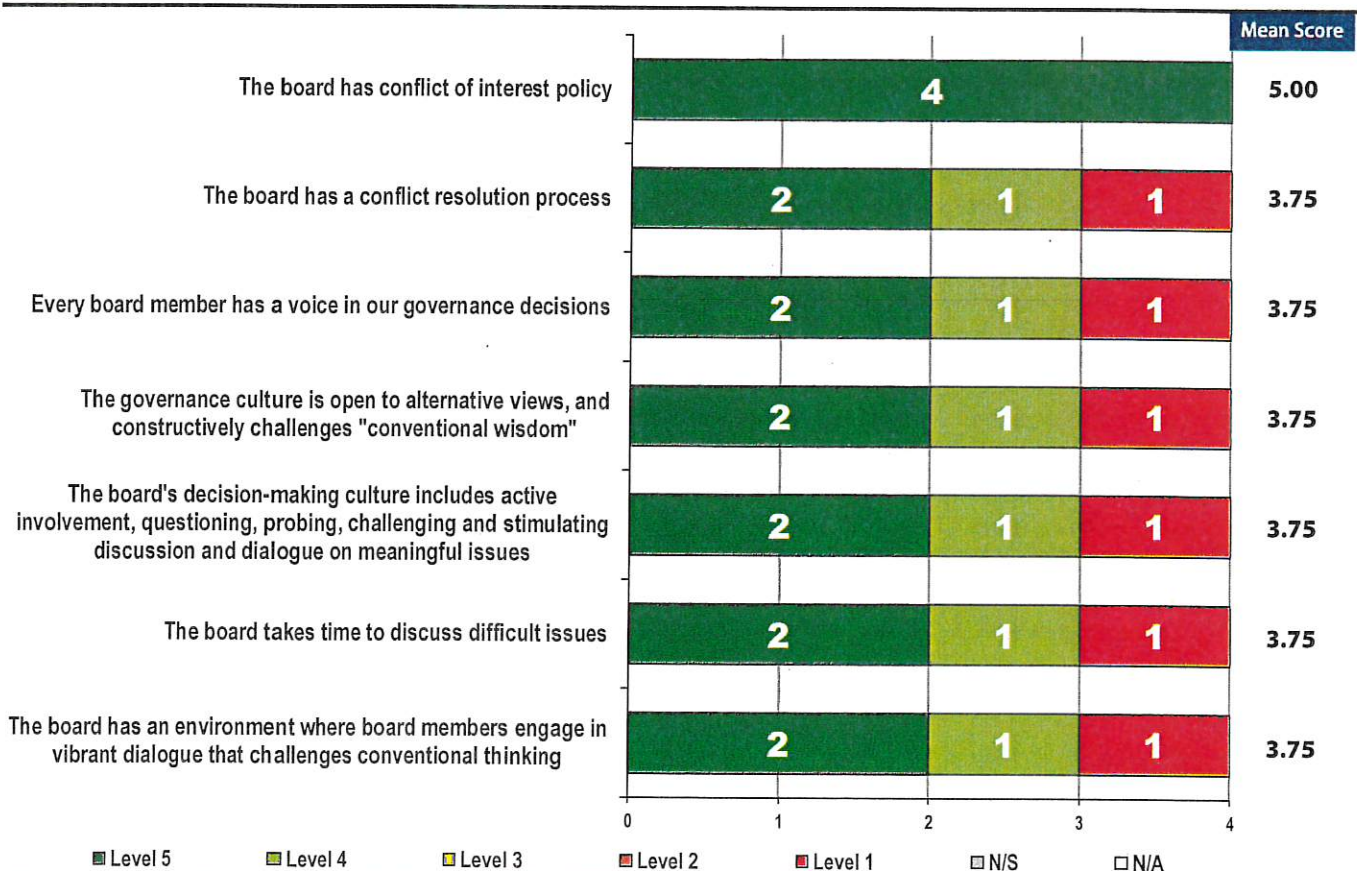
Meeting Materials

(sorted by highest to lowest mean score)



Board Relationships and Communication: Higher-Rated

(sorted by highest to lowest mean score)

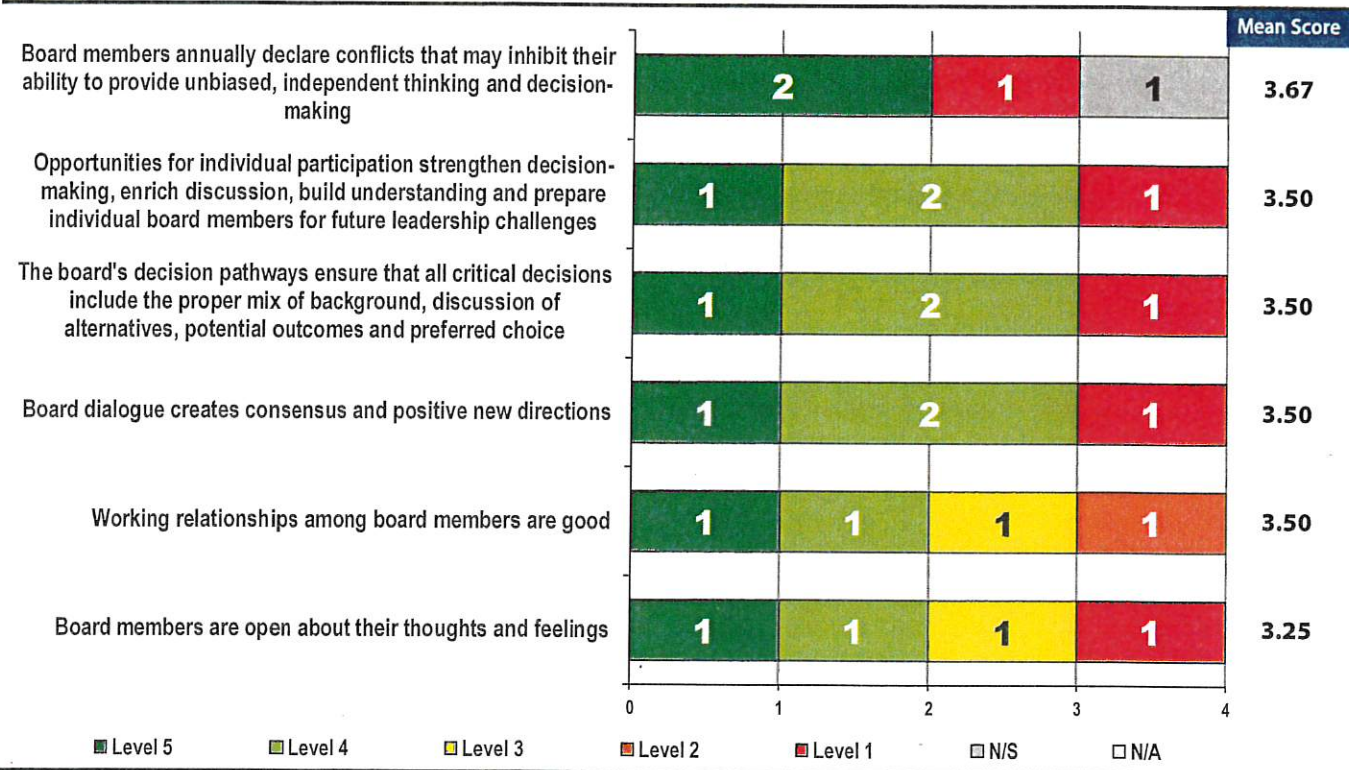


SUMMARY RESULTS

2018 Bear Valley Community Healthcare District Governance Self-Assessment

Board Relationships and Communication: Lower Rated

(sorted by highest to lowest mean score)



Suggestions for Governance Improvement

Board members provided the following suggestions for governance improvement in this section:

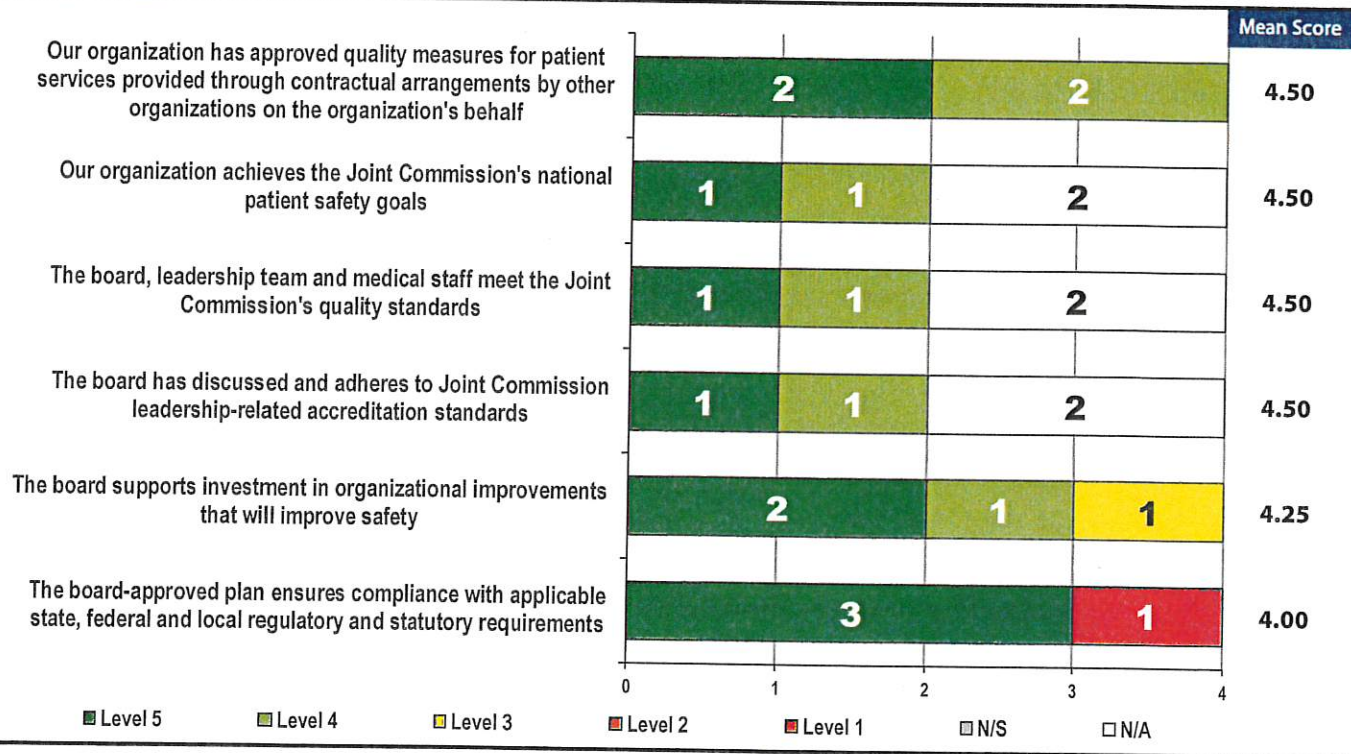
- Meeting agendas and supporting materials are well done and timely. Some issues mentioned have not occurred, so I would have to defer to my assumption that there are certain policies in place relative to the behavior or non-productive actions by a board member would be handled. We are each one-fifth of the whole and while personal opinions or objectives might not be shared, I believe we treat each other with respect and allow for everyone to voice an opinion. My rating of the meeting's focus regarding time and relativity are based on our current and new President's handling of the two meetings we have had in 2018.
- The previous board president often would dominate conversations and shut down constructive dialogue. I am optimistic the new board president will change the culture of the board.

SUMMARY RESULTS

2018 Bear Valley Community Healthcare District Governance Self-Assessment

Quality and Patient Safety

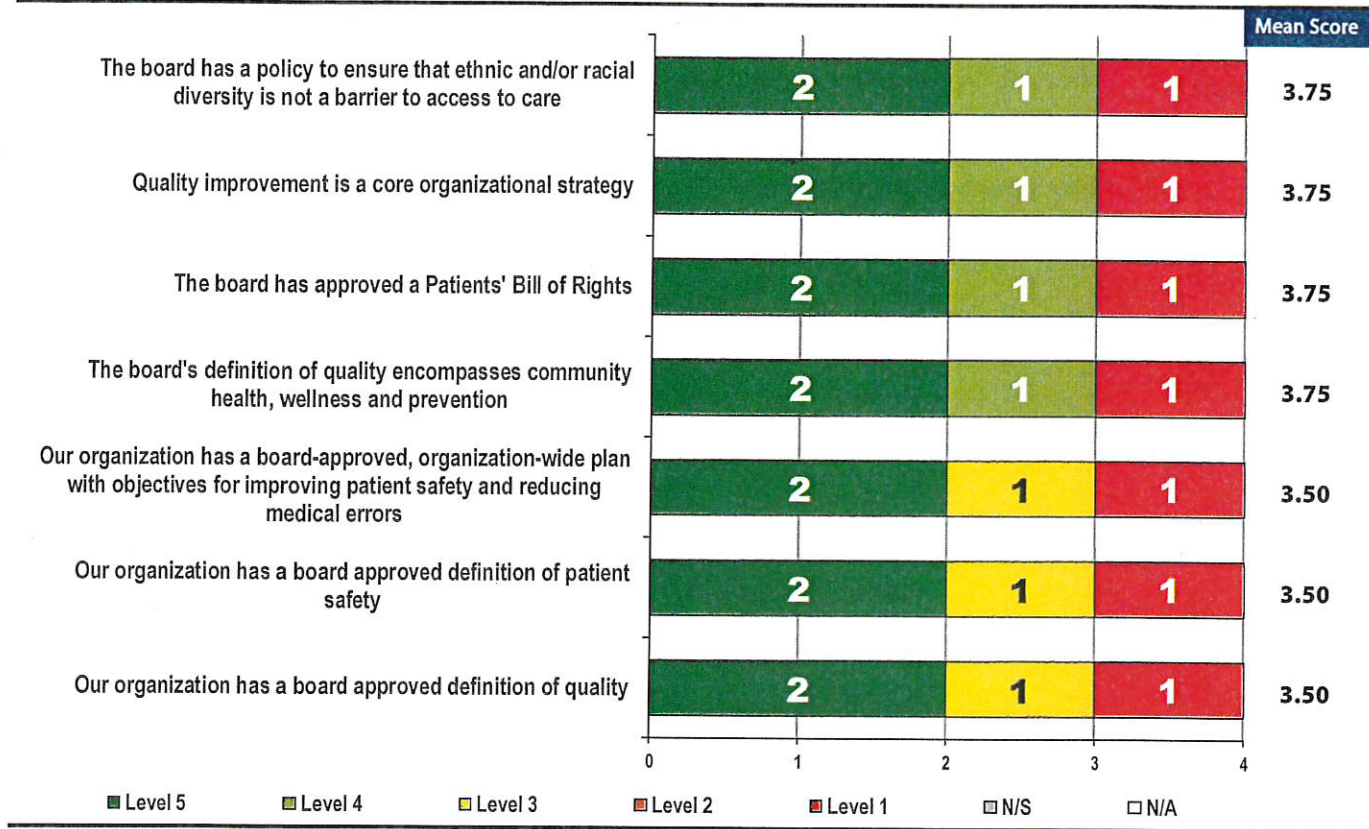
Defining and Understanding Quality and Patient Safety Issues: Higher-Rated
(sorted by highest to lowest mean score)



SUMMARY RESULTS

2018 Bear Valley Community Healthcare District Governance Self-Assessment

Defining and Understanding Quality and Patient Safety Issues: Lower-Rated (sorted by highest to lowest mean score)

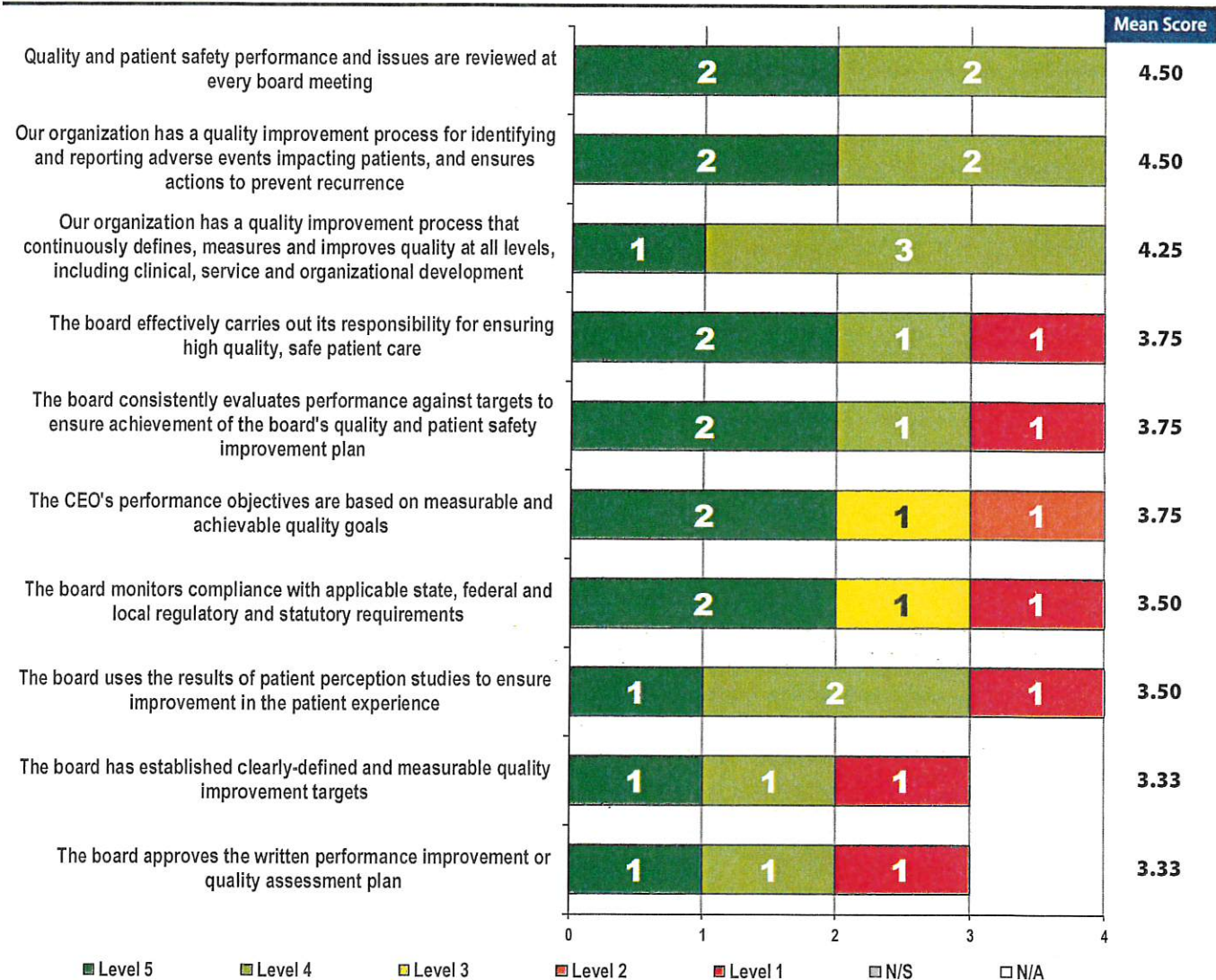


SUMMARY RESULTS

2018 Bear Valley Community Healthcare District Governance Self-Assessment

Monitoring Quality and Patient Safety

(sorted by highest to lowest mean score)

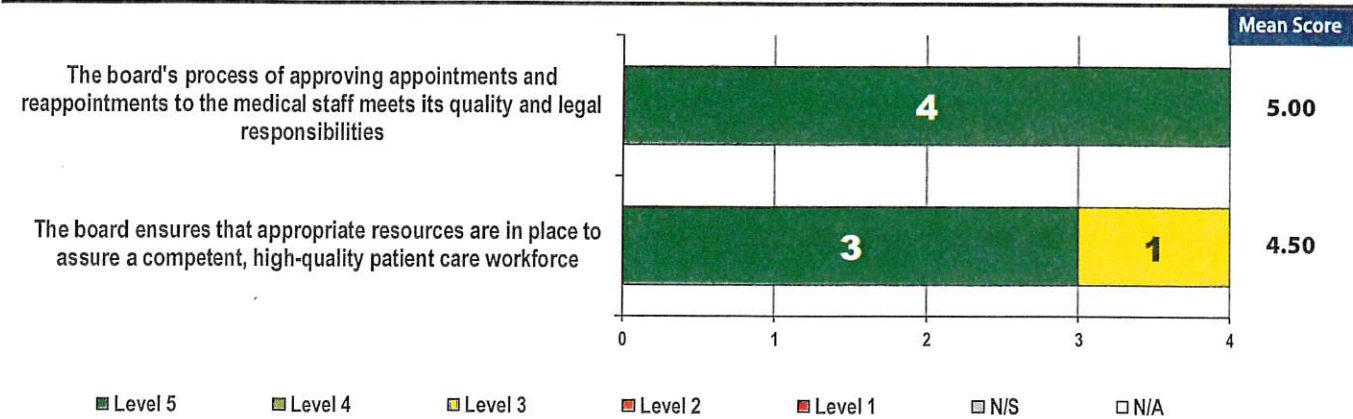


SUMMARY RESULTS

2018 Bear Valley Community Healthcare District Governance Self-Assessment

Ensuring a Workforce that Provides High Quality and Safe Care

(sorted by highest to lowest mean score)



Suggestions for Governance Improvement

Board members provided the following suggestions for governance improvement in this section:

- In my opinion, reporting to the board the issues relative to safety, compliance and risk are well documented and presented in a concise, direct way that is easily understood. One issue that I would like to see addressed more frequently would be results of patients' responses to survey questions that would (hopefully) reinforce our opinions of decisions made on their behalf.
- An annual review of each of these leadership items would be a more responsible approach to our duties.

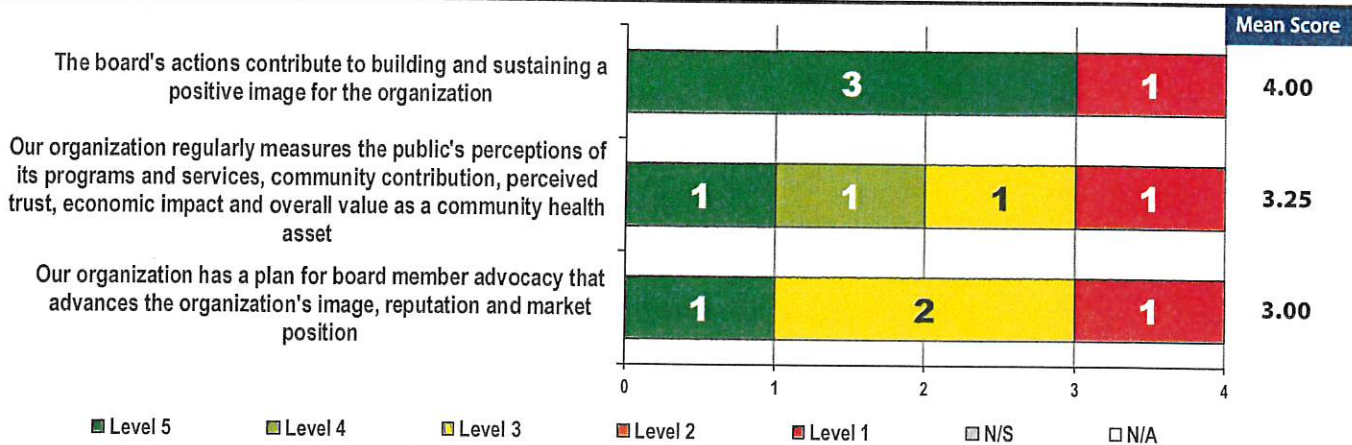
SUMMARY RESULTS

2018 Bear Valley Community Healthcare District Governance Self-Assessment

Community Relationships

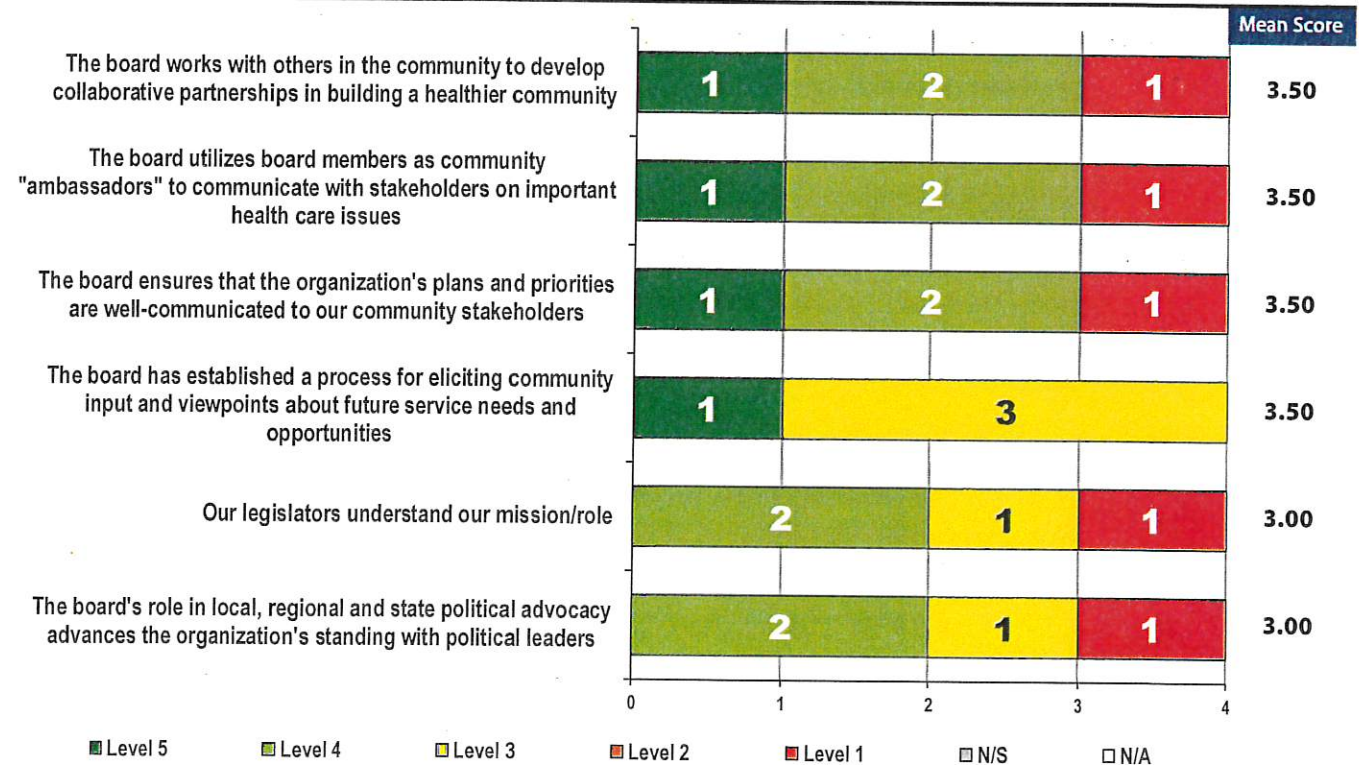
Ensuring Public Trust and Confidence

(sorted by highest to lowest mean score)



Ensuring Community Communication and Feedback

(sorted by highest to lowest mean score)



SUMMARY RESULTS

2018 Bear Valley Community Healthcare District Governance Self-Assessment

Suggestions for Governance Improvement

Board members provided the following suggestions for governance improvement in this section:

- I trust that each of us considers that we are the hospital's best "ambassadors" in the community. I believe we are still "healing" from former management missteps, as well as public knowledge of difficulties created by some individual's managerial actions. Many issues have been righted by QHR's involvement and dedication to guidance and input for our improved management and overall well-being of our hospital. I do consider that we should continue to pursue opportunities for public exposure that consistently prove to be beneficial in dispelling the "bad press" heretofore in focus.

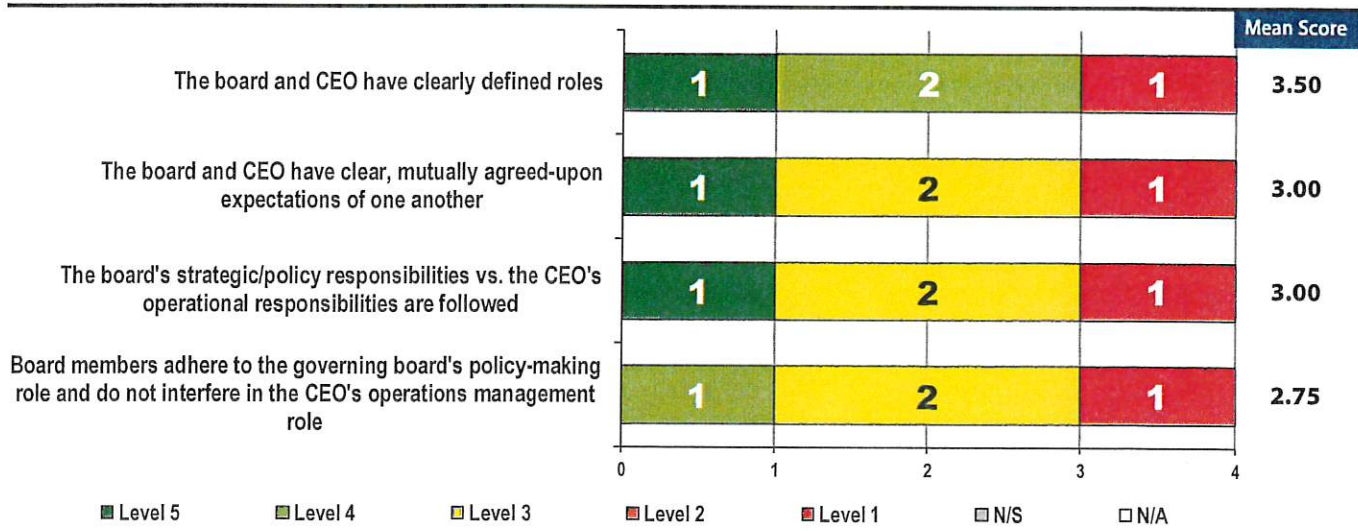
SUMMARY RESULTS

2018 Bear Valley Community Healthcare District Governance Self-Assessment

Relationship with the CEO

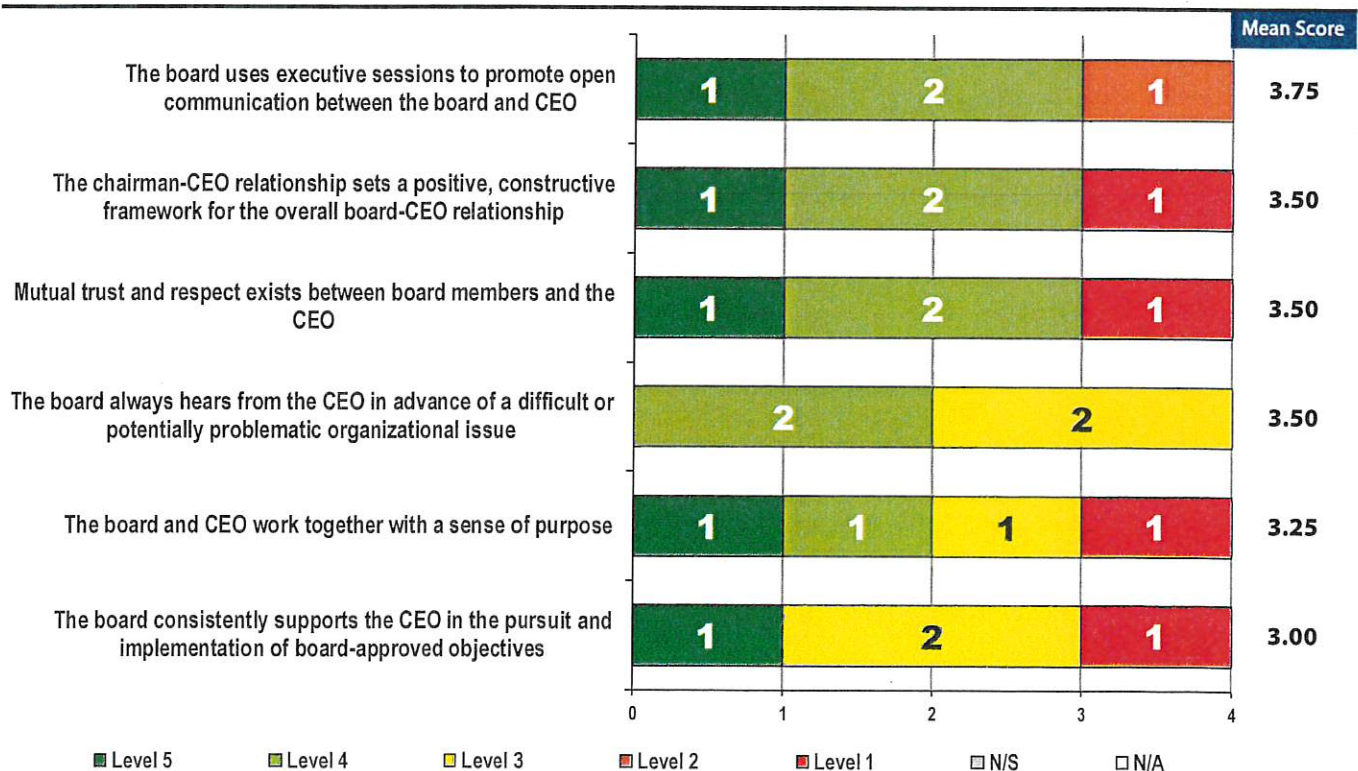
Board and CEO Roles

(sorted by highest to lowest mean score)



Communication, Support and Shared Goals

(sorted by highest to lowest mean score)

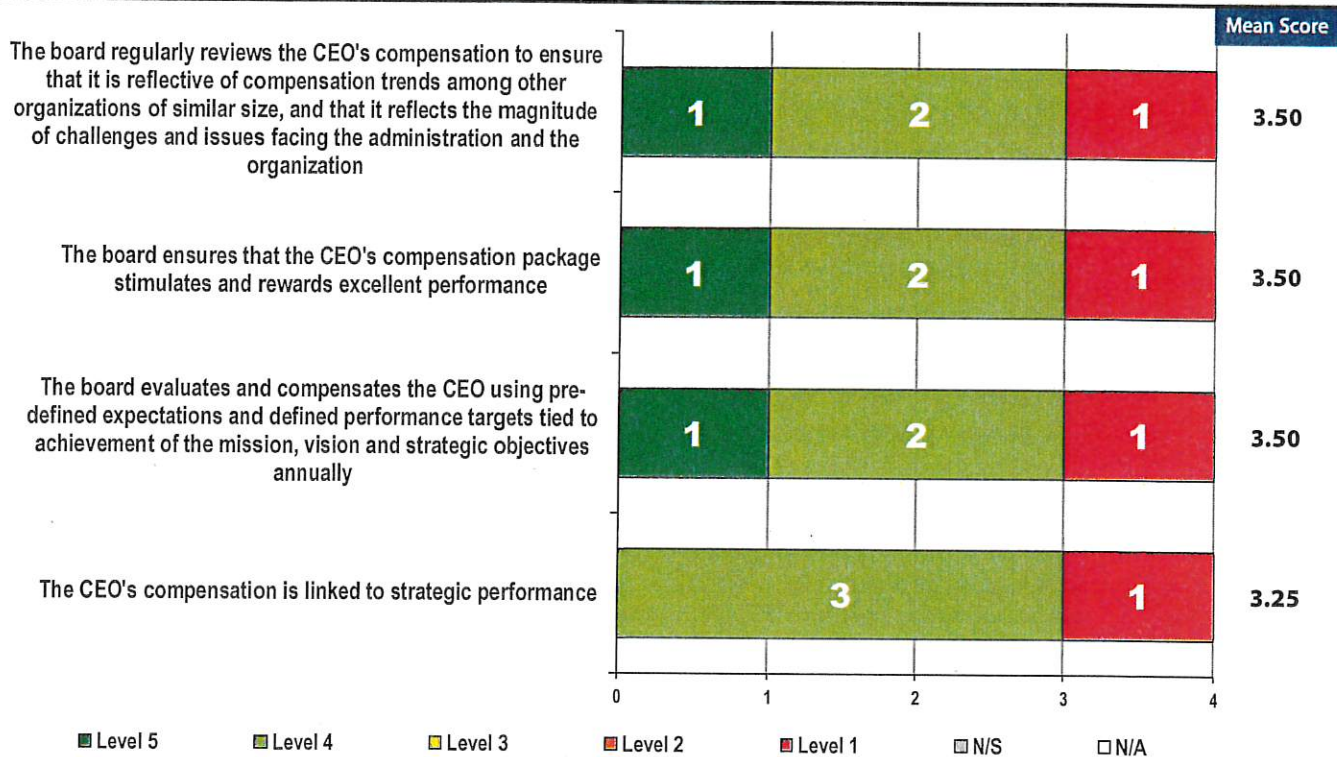


SUMMARY RESULTS

2018 Bear Valley Community Healthcare District Governance Self-Assessment

CEO Evaluation

(sorted by highest to lowest mean score)



Suggestions for Governance Improvement

Board members provided the following suggestions for governance improvement in this section:

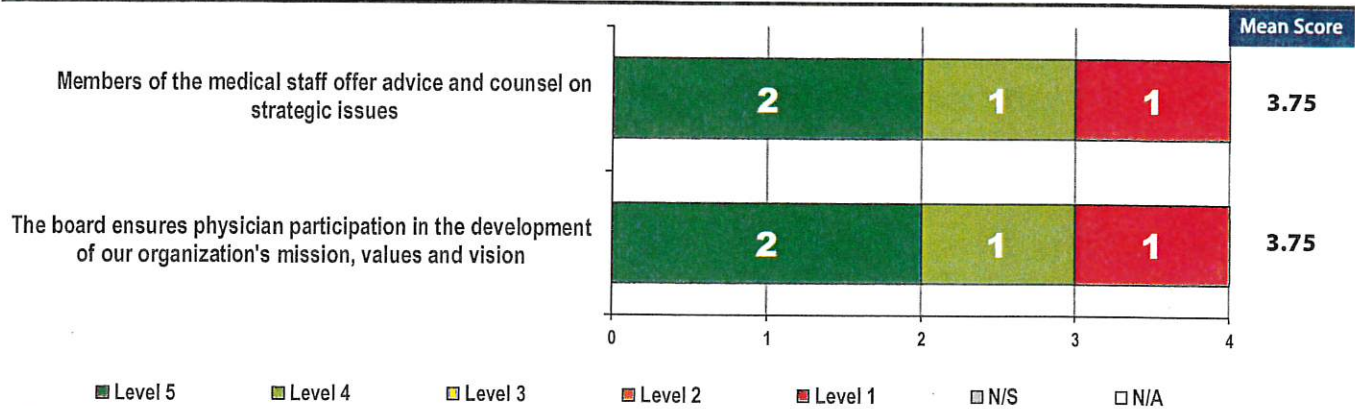
- In evaluating some of the above statements, I can give only a #3 response as I feel that our CEO is often challenged unnecessarily and opportunities are taken to do so. I consider this a serious flaw in the makeup of our board when in addition to our responsibilities to the hospital, I believe a board is also responsible to being what the CEO needs to perform his duties to the best of his ability and always with the well-being of the hospital in mind. I sometimes do not feel this opinion is shared among all board members. I also do not have an immediate opinion as to a resolution of the issue as I see it, but will continue to try and voice an alternate opinion that is more positive.

SUMMARY RESULTS

2018 Bear Valley Community Healthcare District Governance Self-Assessment

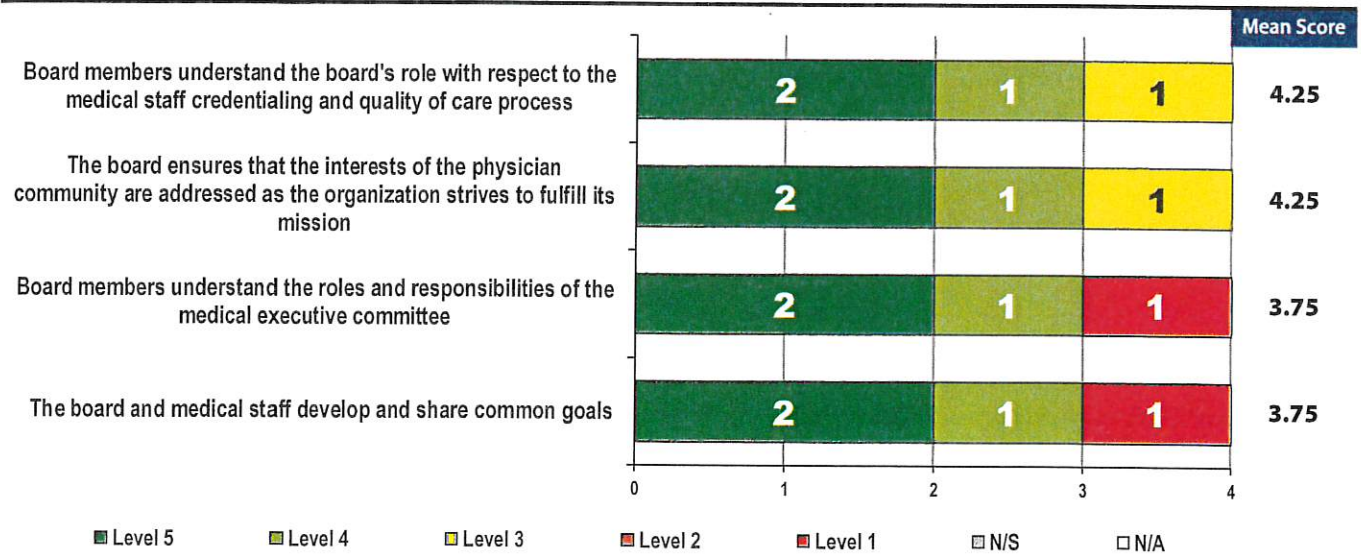
Relationships with the Medical Staff

Physician Involvement in Decision Making (sorted by highest to lowest mean score)



Shared Understanding

(sorted by highest to lowest mean score)

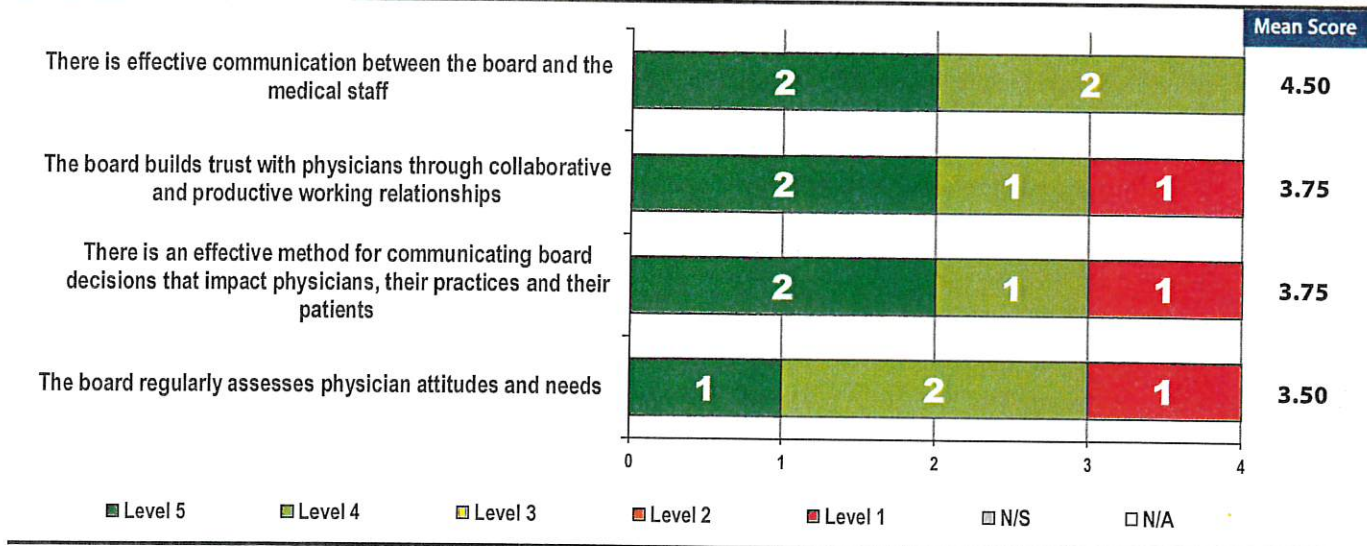


SUMMARY RESULTS

2018 Bear Valley Community Healthcare District Governance Self-Assessment

Communication and Interaction

(sorted by highest to lowest mean score)



Suggestions for Governance Improvement

Board members provided the following suggestions for governance improvement in this section:

- It appears that our interaction with physicians and the medical staff is good and remains so. I would expect that we would be advised of any stray from a good working relationship with medical staff would immediately be brought to the board's attention and immediate resolution would be sought.

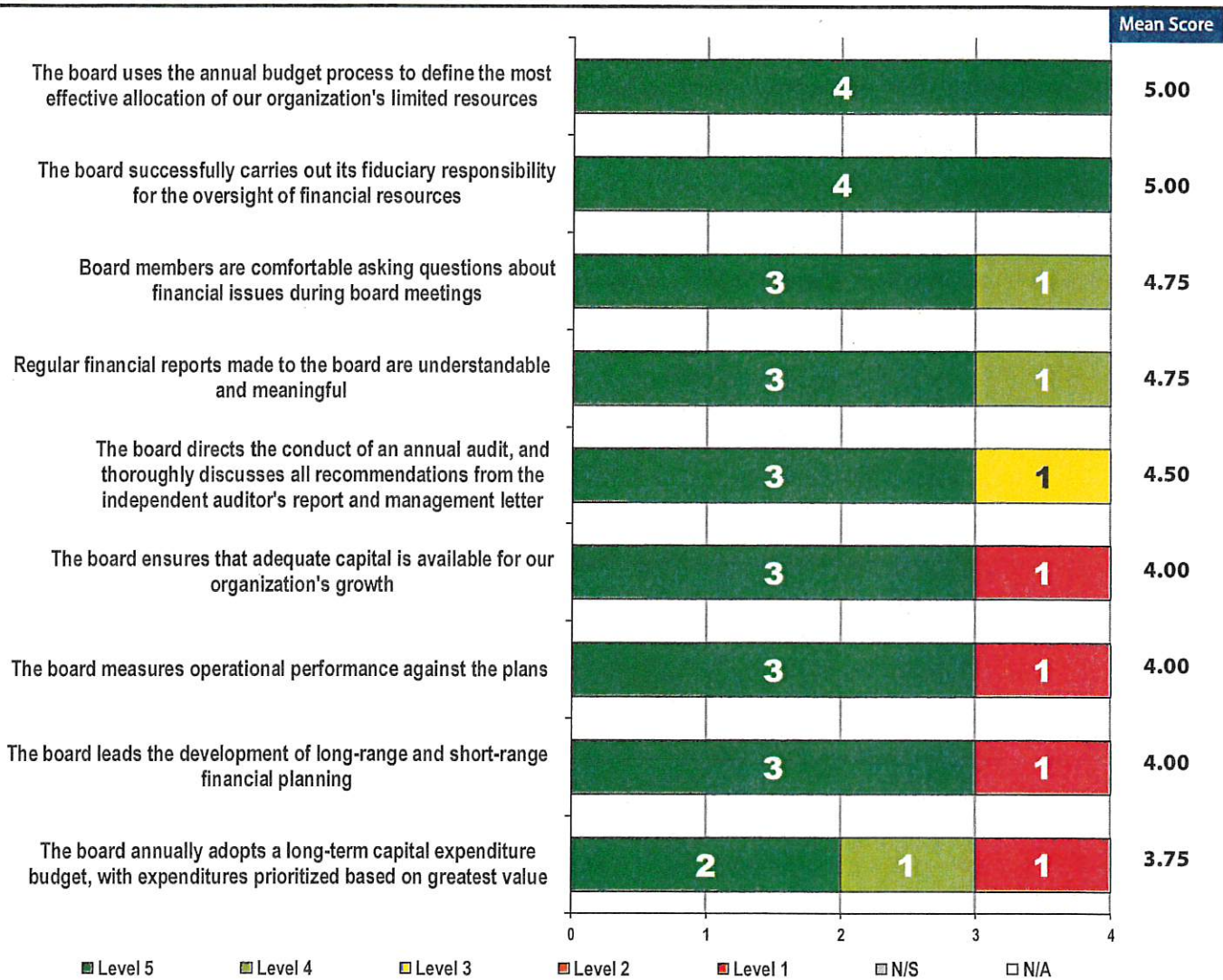
SUMMARY RESULTS

2018 Bear Valley Community Healthcare District Governance Self-Assessment

Financial Leadership

The Fiduciary Responsibility

(sorted by highest to lowest mean score)

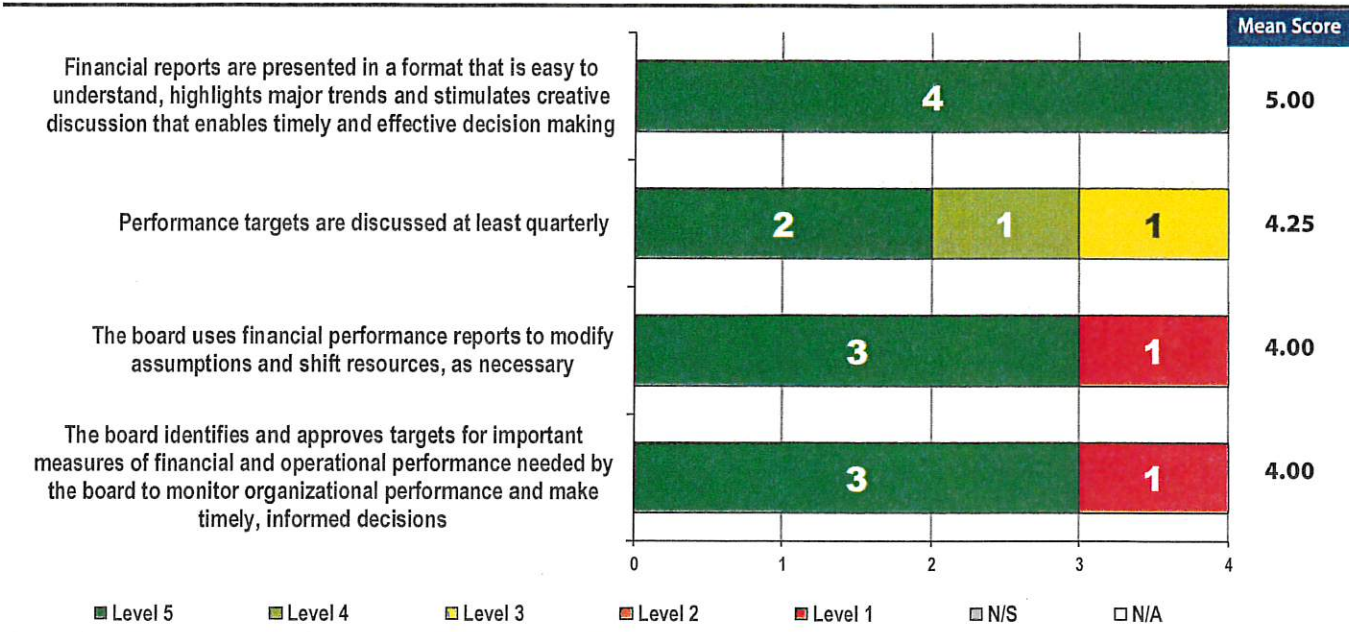


SUMMARY RESULTS

2018 Bear Valley Community Healthcare District Governance Self-Assessment

Monitoring Progress

(sorted by highest to lowest mean score)



Suggestions for Governance Improvement

Board members provided the following suggestions for governance improvement in this section:

- Long term capital expenditure budget is being developed. The Board is beginning the process of reviewing the needs of appropriate expansion vs. retrofitting based on community needs.
- The impact of QHR and our CFO are clear. I feel as a board, we consistently have the budget and upcoming needs in mind that would have a bearing on our financial position. Our recent audit verified that our current staff and the partnership with QHR has been beneficial on every level.

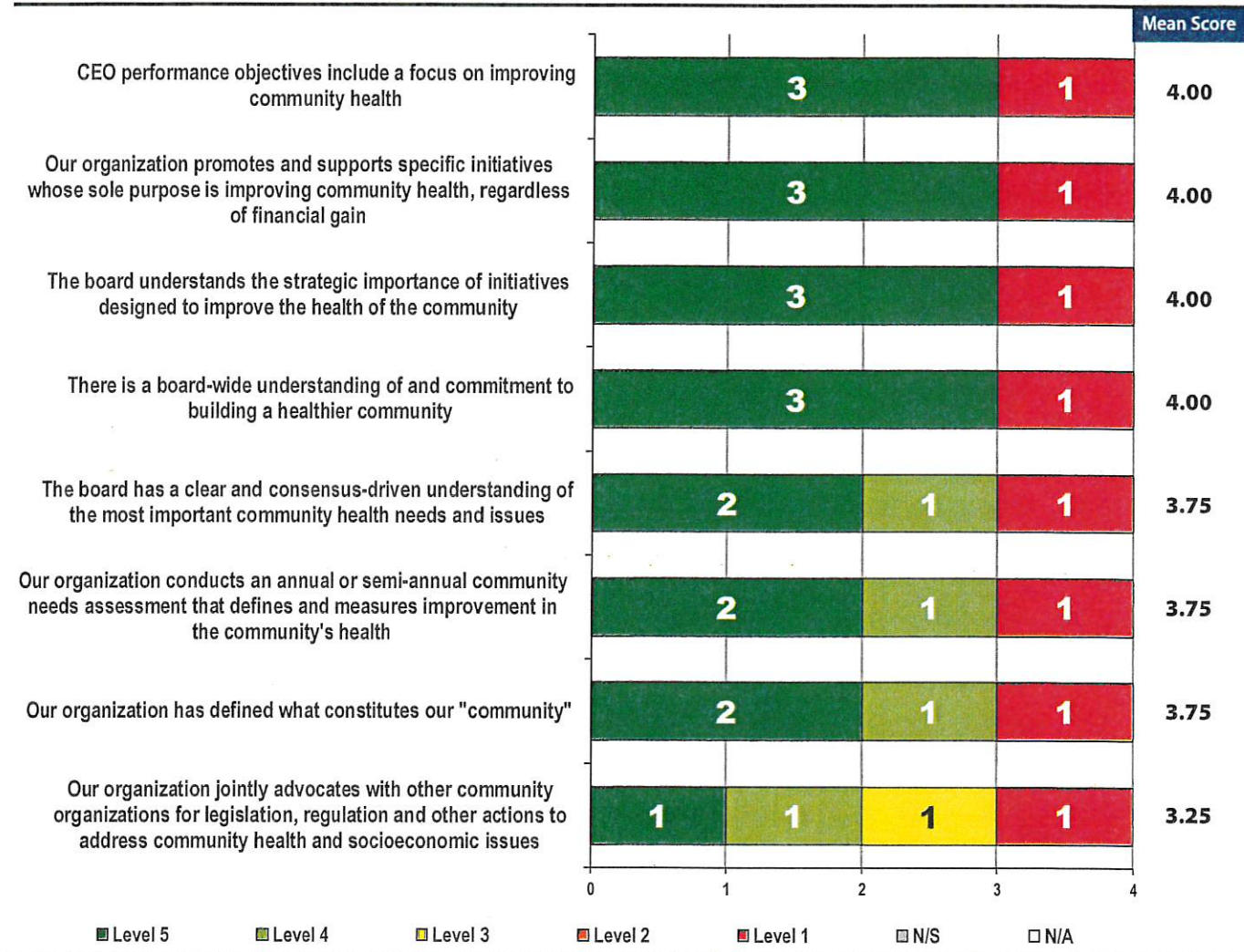
SUMMARY RESULTS

2018 Bear Valley Community Healthcare District Governance Self-Assessment

Community Health

Development and Support of Community Health Initiatives

(sorted by highest to lowest mean score)

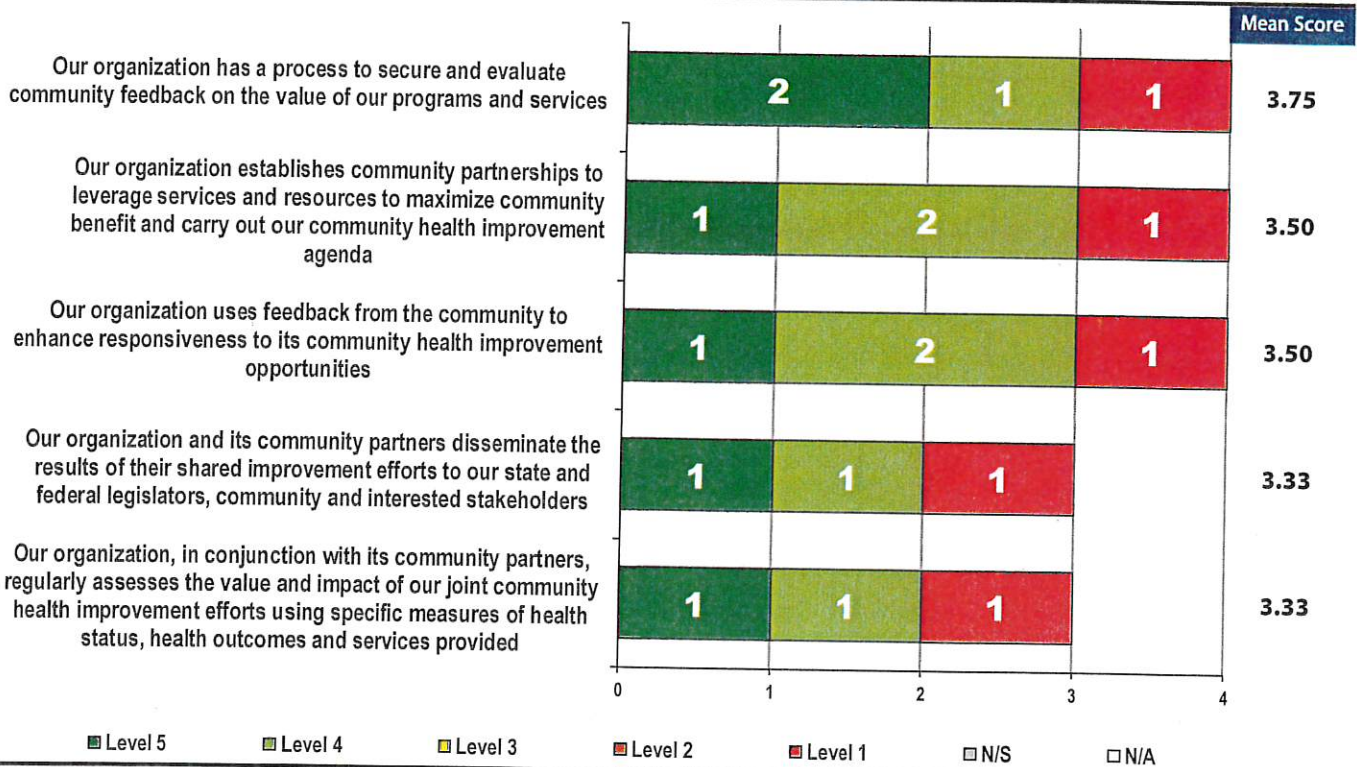


SUMMARY RESULTS

2018 Bear Valley Community Healthcare District Governance Self-Assessment

Community Involvement and Communication

(sorted by highest to lowest mean score)



Suggestions for Governance Improvement

Board members provided the following suggestions for governance improvement in this section:

- I understand that our feedback is studied when patients return surveys; however, I am not aware of significant input from community members as to what services they would like to have implemented. To our credit, the Mom and Dad Project is well established and well received, serving a significant segment of the community. I continue to opine the need for outreach programs for other segments of the community.

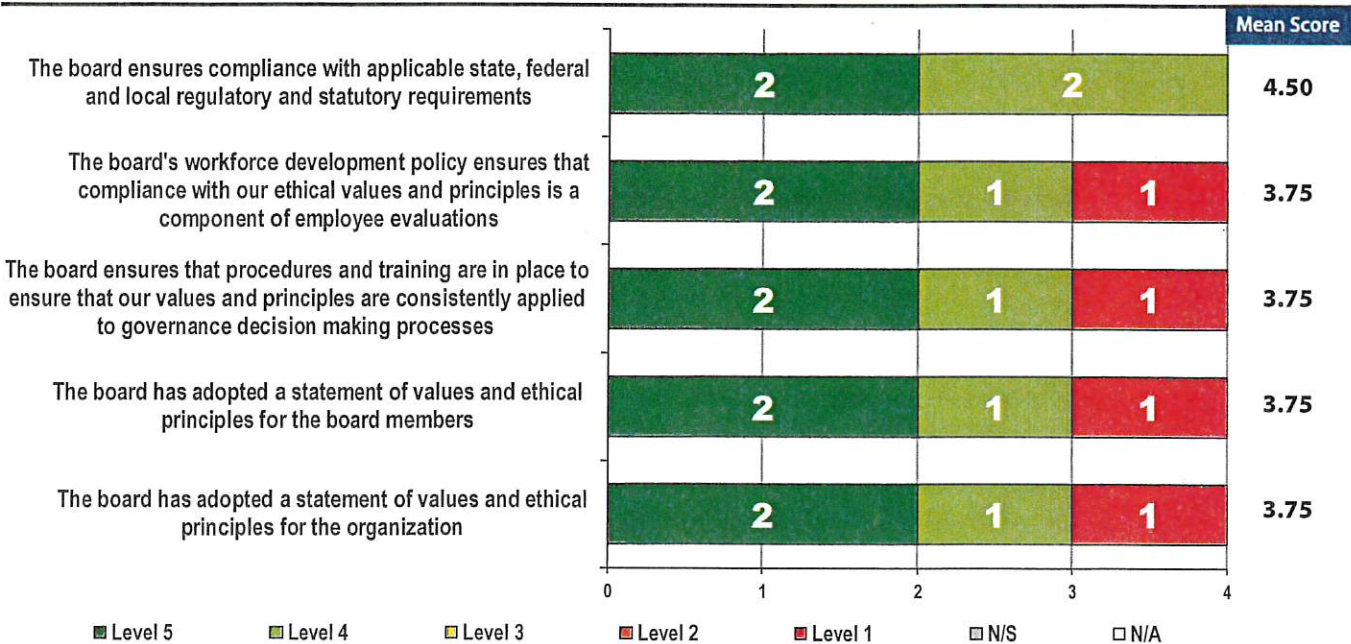
SUMMARY RESULTS

2018 Bear Valley Community Healthcare District Governance Self-Assessment

Organizational Ethics

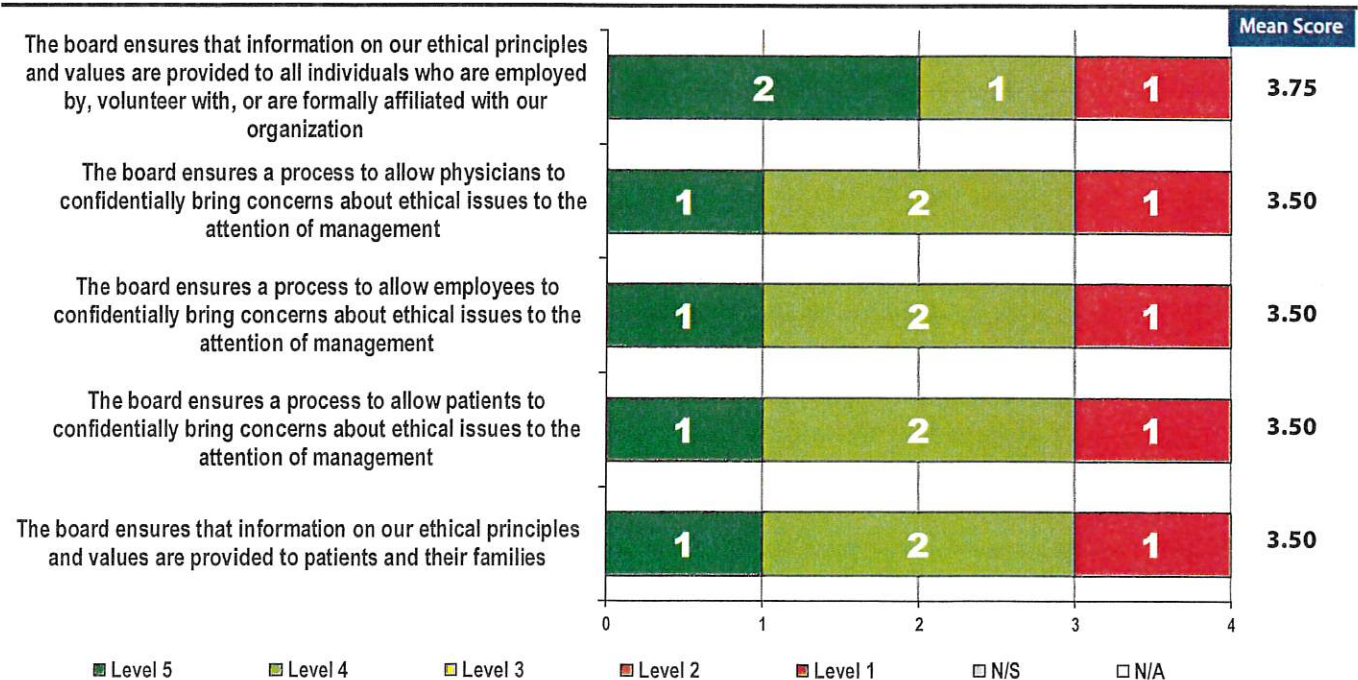
Ensuring Development and Implementation of Organizational Ethics

(sorted by highest to lowest mean score)



Awareness of Ethical Issues

(sorted by highest to lowest mean score)



SUMMARY RESULTS

2018 Bear Valley Community Healthcare District Governance Self-Assessment

Suggestions for Governance Improvement

Board members provided the following suggestions for governance improvement in this section:

- I have no knowledge of how the information regarding ethics is presented to patients, families and physicians, but am aware of the ethics training we each had to undergo when assuming a position on the board. I hope my assumption is correct that these issues are distributed in some way to those to whom it applies.

SUMMARY RESULTS

2018 Bear Valley Community Healthcare District Governance Self-Assessment

Issues and Priorities

Highest Priority for the Board in the Next Year

Question: *What is your single highest priority for the board in the next year?*

- Improve the board's relationship with staff and reduce board member interaction directly with staff. Some members bring up issues that staff, not managers, talk to board members about. This does not give the CEO or his leadership team the ability to effectively address issues and solve problems they are responsible for solving.
- To ensure that our board is cohesive, dedicated and focused on our tasks.
- To become clinically affiliated with a partner to provide and strengthen medical services to our community.
- To continue to strive for a sound financial basis on which to go forward with objectives.
- To strengthen our presence in the community.
- To implement significant recommendations in the Strategic Plan as presented by QHR.
- To move forward in preparation of our eventual redevelopment/replacement of the hospital.

Most Significant Strengths

Question: *What are the board's most significant strengths?*

- Each of us bring certain strengths to the board and regardless of how they impact the validity of the board, I believe our central focus is clear that we want to be a part of what assures our community that our hospital will deliver the kind of health care that is particularly patient-oriented.
- I believe all board members truly care about the hospital and improving the hospital.

Most Significant Weaknesses

Question: *What are the board's most significant weaknesses?*

- To be candid on this issue, it is my opinion that board members who have close personal friendships with staff members might unknowingly bring to the board perceptions and opinions borne of information shared that should have been kept private. Understanding that we live in a small town, I believe we all should take extra care not to share in information that is not common knowledge and that could affect one's decisions on a given issue.
- I consider a "weakness" a sometimes lack of support for upper management, according to one's own perception of satisfactory performance. I feel we could work closer to be a supporting factor to management as opposed to seeking areas of criticism.
- Allowing one board member to hijack the conversation and thus the governance process.

SUMMARY RESULTS

2018 Bear Valley Community Healthcare District Governance Self-Assessment

Key Issues for Board Focus in the Next Year

Question: *What key issues should occupy the board's time and attention in the next year?*

- Affiliation.
- Strategic plan.
- Deciding on building/expanding or retrofitting existing hospital to be in line with State requirements by 2030.
- Facility improvement or replacement. And any other long term strategic goals.
- Recruiting physicians.

Significant Trends the Board Must Understand and Deal with in the Next Year

Question: *What do you see as the most significant trends that the board must be able to understand and deal with in the next year?*

- The impact of the changing health insurance landscape and how that impacts the BBCHD revenue.
- Insurance. Expanding our ability to accept more insurance plans so that more of our community may use our services.
- The difference in the health care industry and our working within it.
- Bringing new specialty physicians to our community.
- Establishing a meaningful affiliation with Riverside Hospital.
- Establishing a partnership with one of the two firms seeking approval of their plans for our hospital.
- Continued strengthening of our position in the community and making the public aware of our services.
- Bringing the IT department up to satisfactory standards.
- Resolving the HR issues that continue to be higher than expected (i.e., Workers' Comp claims, Evaluation re-design and setting policy/consequences for compliance to end the ongoing issues).

Critical Factors to Address to Successfully Achieve Goals

Question: *What factors are most critical to be addressed if the hospital is to successfully achieve its goals?*

- Community involvement. Community town hall meetings to inform and educate community on services we have. We must decide on services that we can expand on and what services we will not be offering.
- The immediate need to seek a qualified person for the open seat on the board.
- Implementing more recommendations from the QHR Strategic Plan as presented.
- Maintain financial solvency, while tempering sound fiscal expenditures to improve/maintain facilities and retain high quality staff.



Board Report

February 2018

Compliance

Our Compliance Team will be providing hospital Compliance Officers with a monthly newsletter that highlights current compliance issues as well as educational information.

Revenue Cycle Implementation

Garth and consultants are planning on this beginning in first quarter of 2018.

IT Assessment

Sharon Stewart, QHR IT consultant, has completed her IT Assessment. Her report will be discussed at the Board meeting.

Upcoming Education Events – February

02/01/18 Physician Services Webinar

February 1, 2018 10:30 - 11:30 am CST

02/07/18 MIPS: Can You Afford to Skip it in 2018?

February 7, 2018 2:00 - 3:00 pm CST

02/08/18 CAH Reimbursement & Cost Reporting Update: Current Costing Issues

February 8, 2018 2:00 - 3:00 pm CST

02/13/18 Board Leadership Series Topic #2

February 13, 2018 12:00 - 1:00 pm CST

02/14/18 Workforce Efficiency Webinar

February 14, 2018 10:30 - 11:30 am CST

02/15/18 Compliance Officer Hot Topics: Compliance Risk Assessment

February 15, 2018 10:30 - 11:30 am CST

02/23/18 Lean Webinar

February 23, 2018 10:30 - 11:30 am CST



Other

- Ron Vigus is planning to attend the February Board meeting.
- **2018 Quorum Health Board Essentials Workshop**
August 8, 2018 – Omni Hotel, Nashville, TN
August 9-10, 2018 – Omni Hotel, Nashville, TN

Upcoming Projects

- CAH Mock Survey – March 2018
- Cost Report Review – following preparation of Cost Report
- Contractual Analysis and Bad Debt Review – to be scheduled
- GPO Assessment – to be scheduled

Completed Projects

- Contractual Accounts and Bad Debt Analysis
- Financial Operations Review
- RHC Coding & Compliance Review
- Community Health Needs Assessment
- Chargemaster Review
- Compliance Assessment
- Compliance Implementation
- IT Assessment

Bear Valley Community Hospital

Big Bear Valley, California

Value through Partnership
Annual Benefit Report
Fiscal Year End June 30, 2017



QUORUM | HEALTH RESOURCES®

2017 Hospital Goals and Achievements

Leadership:

- Recruited Emergency Room Director, RN
- Appointed Director of Surgery
- Recruited Registered Dietician as Director of Dietary Department

Expand Improved Services:

- Completed installation of 3D Mammography
- Completed installation of Toshiba 64 Slice CT Scanner
- Implemented Orthopedic Services in the Family Health Center with subsequent Surgical Services availability
- Implemented Restorative Program in SNF
- Maintained SNF 5 Star Rating
- Implemented Music & Memory Project for Dementia patients in SNF
- Implemented Laser Services in the Physical Therapy Department
- Added 2nd Chiropractor to the Family Health Center provider roster
- Added 2nd OB/GYN to the Family Health Center provider roster
- Opened dental program at the Rural Health Center
- Added Dental Navigator position to the Mom & Dad Project
- Offered Immunization Clinic & Health Fair
- Obtained State Grant to develop a Pain Management Program

Improved Performance:

- Phase I of Team STEPP completed
- SNF DON Achieved QAPI Certification
- Implemented T-System Electronic Health Records in the Emergency Room
- Achieved Tier I BETA Quest for Zero ER high risk chest pain
- Achieved Tier II BETA established Patient Family Advisory Council
- Year To Date Surplus of \$ 4,412,856
- Cash on Hand is 216 Days
- Days in Receivable Gross 75
- Completed Marketing Plan for 2017/2018
- Completed SNF renovations with Rotary and Foundation funds
- Implemented some Strategic Plan Goals
- Qualitick Consumer Satisfaction Survey

Additional Hospital & Leadership Accomplishments



John Friel
CEO

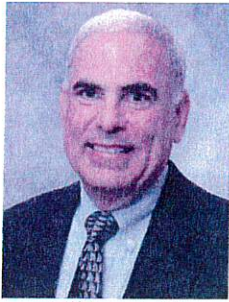


Garth Hamblin
CFO

- Family Health Center and Rural Health Clinic visits increased by 2%
- Mom & Dad Project received a 5-year Funding from First Five
- Mom & Dad Project received \$4,200.00 Grant for the Reach Out & Read Program
- New website has been completed

Operational Performance Trends					
Metric	2016	2017	Variance 2016-2017	Trend	QHR Benchmark
Net Income	\$2,987,387	\$4,412,856	\$1,425,469	↑	-
Net Income as % NPR	14%	18%	4%	↑	-
Net Income Margin	12%	16%	4%	↑	-
Net Patient Revenue	\$21,125,312	\$23,963,785	\$2,838,473	↑	6.0%
Salaries % NPR	45.5%	38.3%	(7.2%)	↓	36.0%
Days Cash on Hand	187	216	44	↑	208
Net Days A/R	60	60	-	↓	39
ER Visits	11,184	11,315	131	↑	10,946
Year over Year comparison 6/30/2016 vs. 6/30/2017					

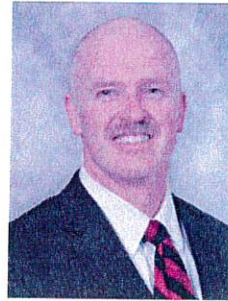
Quorum Leadership Support



Bill Donatelli
Division Vice President



Ron Vigus
Regional Vice President



Ken Ward
Associate Vice President



Len Adcock
Regional Financial
Analyst

- Advises leadership team on local, regional, and national healthcare issues
- Conducts monthly reviews of performance and encourages use of Quorum's operational and financial best practices
- Oversees Quorum consulting activities and monitors implementation of recommendations from engagements
- Provides operating best practices to guide board self-evaluation and job performance of local leadership
- Provides education to Board on changes in healthcare environment and hospital regulatory information

Quorum Support Team Hours:

DVP Hours:	18
RVP Hours:	298
AVP Hours:	137
RFA Hours:	124
Total Hours:	577

Additional Quorum Benefits:

- Access to 52 Operating Best Practices
- Use of Vantage Workforce Productivity Tool
- Access to Vantage Benchmarking Metrics
- Access to Quorum Safety Net Services

Quorum Consulting Engagements

Following is a summary of consulting engagements conducted during the year.

Compliance Implementation

Project Objectives

The goal is to have each compliance program element meet the level of “*effectiveness*” set forth in the USSC FSG, Chapter Eight – Sentencing of Organizations

Overview of Recommendations

Opportunities were identified to enhance the program, improve effectiveness, and align it with current best practices:

- Implement measures to elevate the visibility and importance of compliance across the organization so staff are able to easily and correctly identify the Compliance Officer, reportable events, and compliance-related activities;
- Enhance the structure of the compliance program to include a formal job description, development of a formal Code of Conduct, revised Compliance Committee and board reporting, and implementation of a formal Monitoring & Auditing Plan;
- Implement coding and billing audits, both external and internal, for the Hospital and the Rural Health Clinic; and
- Ensure a formal process is in place for ongoing comparisons to the OIG’s List of Excluded Individuals and Entities (LEIE) and state sanctions databases for all staff, practitioners, contractors, vendors, and Board members.

Contractual Accounts & Bad Debt Analysis

Project Objectives

This analysis of Bear Valley Community Hospital’s Balance Sheet contractual and bad debt allowance computations is to evaluate the accuracy of the contractual and bad debt allowances for all payers. The analysis also provides recommendations for process improvement regarding the preparation and documentation of the contractual and bad debt allowance computations.

Overview of Recommendations

Quorum has made recommendations based on its’ analysis of the various processes used by the Hospital in preparing the monthly Balance Sheet contractual and bad debt allowance computations. The report also includes a detailed discussion of the various recommendations. This report includes a Management Action Plan (MAP) based on the detailed recommendations.



Cost Report Analysis

Project Objectives

The purpose of Quorum's analysis was to identify opportunities for improvement in the Hospital's cost report preparation and documentation.

Overview of Recommendations

- Investigate the steps necessary for the Hospital to bill the Outpatient Lab charges as Hospital outpatients to receive cost-based reimbursement as opposed to the fee schedule reimbursement.
- Review the charge structure and costs in the RHC to possibly reduce the gap in the cost reductions on the cost report as compared to the coinsurance amounts.
- Review Rural Health Clinic visits to ensure proper billing of preventive services.
- Compile a Flu and Pneumonia log for all patients and Medicare patients, as well as gather cost documentation for the vaccine reimbursement on the cost report.

Community Health Needs Assessment

Project Objectives

- Meet IRS requirement of completing a CHNA
- To determine the health needs of the local community, and develop an implementation plan to outline and organize how to meet those needs.

Overview of Recommendations

The significant health needs for San Bernardino County are:

- Accessibility
- Mental Health
- Substance Abuse

Charge Master Review

Project Objectives

The objective of this engagement is to review the facility's Charge Description Master (CDM) and recommend revision or improvement where appropriate. Among the objectives are to:

- Update the CPT/HCPCS codes on current items
- Suggest major outpatient services or procedures in the targeted departments that BVCH provides, but are not presently coded and billed (example: areas that might normally be included in a CDM for complete billing that are not included or seen in the CDM)
- Recommend the deletion of inappropriate or invalid codes
- Identify line items without CPT/HCPCS codes attached and recommend an appropriate code
- Identify line items priced below 2.5 times the current APC rate



Overview of Recommendations

A thorough, line-by-line review of Bear Valley Community Hospital's CDM was completed for accuracy, compliance with regulatory bodies, and potential for missed financial opportunities. The following recommendations were made:

- Several pricing opportunities were identified. Many items were identified as being priced below the corresponding Medicare APC payment rate. It would be reasonable for BVCH to review the pricing on these items and consider making pricing adjustments accordingly.
- The recent implementation of the T-System documentation software in the Emergency Department has led to some improvement in documentation and charge capture, but has also led to some challenges in making sure all services are accounted for appropriately. It is recommended that BVCH consistently monitor the output (charges) on ED accounts.
- It is unclear whether all charges are being captured when procedures are performed by the CRNA.
- BVCH does not currently charge separately for Oxygen. Oxygen is considered a supply, and is separately charged by most hospital facilities, using revenue code 270 and a "time-based" charge (i.e. "Oxygen per hour"). This presents an opportunity for BVCH to better reflect its service costs by establishing a separate charge item to be assigned to patients who require oxygen.
- Services were identified in Respiratory Therapy which were being performed but not charged. Separate charge items should be built within the billing system and utilized when appropriate.
- Current charging for cataract surgeries appears to be low. It is recommended that BVCH determine whether local competition requires the BVCH price to stay low, or if there is an opportunity to increase the total charges for cataract surgeries (either by charging separately for the supply pack, or by increasing the price of "Surgical Procedure Minor").
- Separately chargeable services provided during Inpatient care are not being charged separately. It is advisable to have H.I.M. identify procedures for which no separate charge is present.
- In conjunction with charging separately for services performed on Inpatients, it is recommended that BVCH develop a clear policy defining which costs and services are included in the Room & Board daily charge. This will provide a baseline to support charges for services not falling under the Room & Board charge definition.
- In addition, Quorum offered recommendations for additional changes to reduce the cost of processing claims, thereby potentially improving revenue through lower costs.
- Observation hours are currently counted based on time of physician order and time of discharge. It is recommended that BVCH determine whether the start and stop times used for calculating observation hours are resulting in correct hours per CMS regulations, and whether the start and stop times can be calculated using the actual beginning of care and end of care, rather than the times of physician order and discharge.
- When Critical Care is charged, BVCH is experiencing denial/rejection of other charges on the claim. It is recommended that BVCH review the Medicare guidelines for Critical Care billing.
- Currently, BVCH bills blood products using revenue code 38X, which is potentially fine for critical access. However, it is advisable for BVCH to further review the OPPS guidelines, which distinguish



revenue code 390 as appropriate for reporting “blood processing and handling” costs, and specify revenue code 38X as reflecting the cost of purchased blood, which could require the patient to pay a “blood deductible”.

RHC Coding Compliance Review

Project Objectives

Quorum conducted a review of the billing and A/R realization procedures to identify opportunities to mitigate loss and late charges.

Overview of Recommendations

- Identify internal/external resource to develop insurance and CPT matrix with necessary requirements by payer. Actively manage this and update (at least) quarterly.
- E & M coding should always reflect the level of service provided and the documentation. System edits can be set up behind the scenes for billing purposes, but documentation shouldn't be edited without provider consent or knowledge.
- Review registration hard stops to hold staff accountable for checking most updated patient information.
- Fee schedules should be updated annually, and must be corrected immediately, to ensure that additional payments are not being relinquished.
- Provide ICD-10 education to providers to ensure specificity is included in diagnoses.
- Ensure TruBridge is providing active and timely feedback on claim edits and denial reasons. Set measures and track service delivery for 30 days; utilize sample data to review service options.
- Develop process for current providers' insurance credentialing with annual reviews.
- Identify BV responsible party to streamline this process and develop process for onboarding future providers.

Estimated Benefits & Savings

Quorum Business Partnership Benefits

HPG Discounts (partial year)	\$ 26,440.55
HPG Rebates	\$ 3,742.36
Standardization Incentive Program (SIP)	\$ 225.81
Strategic Service Partner	\$ 39,806.87

Total \$ 70,215

Other Benefits from Strategic Relationships

MD Buyline Savings	\$12,000
AHA Dues Discounts	\$ 3,787

Total \$15,787

Quorum Learning Institute Education Benefit

Board Education

- Board Essentials Workshop (new trustee orientation)
- National Quorum Trustee Conferences (East and West)
- Monthly Trustee Education Webinars
- Q-View (monthly industry news digest)
- Board Minutes (monthly topic for Board discussion)
- Trustee Quick Reference Guide

Employee Education

Webinars	9
Classroom	6
Conferences	5

Total \$10,995

Estimated Tangible Benefit from Partnership \$96,998



Supporting Resources



David Perry

Associate Vice President
Healthcare Finance & Reimbursement

- Review/resolution of Medicare, Medicaid reimbursement/payment issues
- Review of hospital cost reports/contractual allowances
- Review contractual allowance and bad debt estimates
- Identification of client opportunities for special payment designation
- Periodic reimbursement/legislative policy updates and topical newsletters
- CAH Cost Report Contractual Model (for relevant client hospitals)



Tomi Hagan

Senior Consultant
Compliance

- Education – topical webinars and compliance officer training
- Annual compliance report review
- Periodic risk survey analysis and executive summary
- Compliance tools and resources
- Vantage Contract Master™ Tool



Judy Krempin

Director
Quality and Performance Improvement

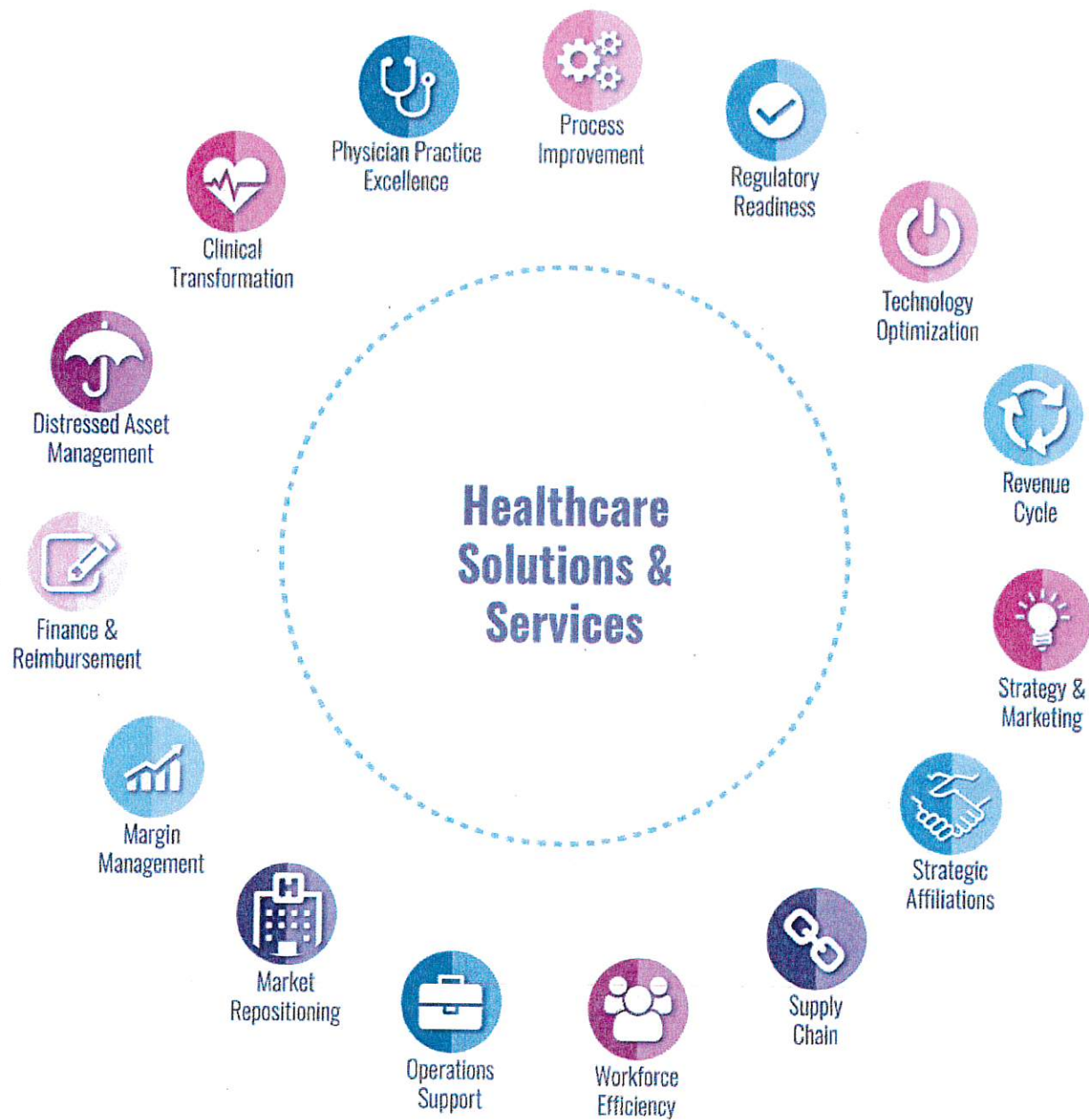
- Guidance on Quality issues
- Assistance in developing and improving Quality
- Support for state and federal surveys



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Goals for FY 2018

- Pursue affiliation agreement with Riverside Medical Center
- Recruit Family Practitioner for the Rural Health Clinic
- Develop long term facility plan
- Expand relationship with managed care companies to allow more access to BVCHD
- Reduce AR Days to 65



To learn more, go to www.QHR.com

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Please consult with your Quorum representative if you have questions about the report content.

Highlighted Benefits & Savings \$96,998

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Strategic Service Partner	\$39,806.87

Total: **\$70,215**

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Energy Trust Savings	\$3,787

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Quorum Learning
Institute Benefit:
\$10,995

6
Classrooms

5
Conferences

Bear Valley Community Hospital FYE 2017 Annual Benefit Report



John Friel
CEO



Garth Hamblin
CFO

Hospital and Leadership Accomplishments

- Family Health Center and Rural Health Clinic visits increased by 2%
- Mom & Dad Project received a 5-year Funding from First Five
- Mom & Dad Project received \$4,200.00 Grant for the Reach Out & Read Program
- New website has been completed

2017 Hospital Goals and Achievements

Leadership

- Recruited Emergency Room Director, RN
- Appointed Director of Surgery
- Recruited Registered Dietitian as Director of Dietary Department

Expand/Improved Services

- Completed installation of 3D Mammography
- Completed installation of Toshiba 64 Slice CT Scanner
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- Implemented Restorative Program in SNF
- Maintained SNF 5 Star Rating

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- Qualitick Consumer Satisfaction Survey

Operational Performance Trends Year-over-Year comparison 6/30/2016 vs. 6/30/2017; uses 2017 unaudited financials

\$2,987,387	14%	12%	\$21,125,312	45.5%	187	60	11,184
Net Income	Net Income as % NPR	Net Income Margin	Net Patient Revenue	Salaries % NPR	Days Cash on Hand	Net Days A/R	ER Visits
\$4,412,856	18%	16%	\$23,963,785	38.3%	216	60	11,315



Creating a sustainable future for healthcare organizations.

QUORUM | HEALTH RESOURCES®

Quorum Leadership Support



Bill Donatelli
Division Vice President



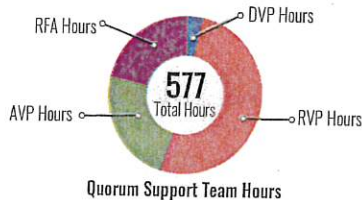
Ron Vigus
Regional Vice President



Ken Ward
Associate Vice President



Len Adcock
Regional Financial Analyst



- Advises leadership team on local, regional, and national healthcare issues
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Healthcare Finance Reimbursement

- Review of Medicare/Medicaid reimbursement/payment issues
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- Reimbursement/legislative policy updates and tactical newsletters
- CAH Cost Report Contractual Model (for relevant client hospitals)

Compliance

- Education - topical webinars and compliance officer training
- Annual compliance report review
- Periodic risk survey analysis and executive summary
- Compliance tools and resources
- Vantage Contract Master™ Tool

Human Resources

- Guidance on immediate HR concerns
- Support regarding Quorum employee issues
- Recruitment of permanent and interim executives

Public Relations

- Guidance to help manage urgent and sensitive media issues/events
- Press release preparation/media coaching
- Internal communications support
- Q&A email networking with client marketing team

Quorum Consulting Engagements



Compliance Implementation



Regulatory Readiness



Contractual Accounts and Bad Debt Analysis Cost Report Analysis



Finance & Reimbursement



Community Health Needs Assessment



Strategy & Marketing



Charge Master Review RHC Coding Compliance Review



Revenue Cycle

Healthcare Solutions & Services



Physician Practice Excellence



Distress Asset Management



Clinical Transformation



Process Improvement



Margin Management



Strategic Affiliations



Market Repositioning



Workforce Efficiency

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CNO Monthly Report

TOPIC	UPDATE	ACTION/FOLLOW UP
1. Regulatory Updates	<ul style="list-style-type: none"> ▪ Expecting Life Safety Survey to follow SNF survey within the next few weeks. ▪ QHR will be onsite in March to complete a mock CAH Survey & Life Safety Survey 	<ul style="list-style-type: none"> ▪ Informational
2. Budget/Staffing	<ul style="list-style-type: none"> ▪ Monitoring staffing by shift, flexing staff according to census. ▪ 1 PD EMT resignation ▪ 1 PD RN resignation ▪ 1 FT RN hired 	<ul style="list-style-type: none"> ▪ Continue to monitor
3. Departmental Reports		
<ul style="list-style-type: none"> ▪ Emergency Department 	<ul style="list-style-type: none"> ▪ ED Manager is working with Plant Maintenance on "ED remodel" project scheduled for spring 2018. ▪ New "hush curtains" have been installed in the ED ▪ Mercy Air attended ED staff meeting, will be attending monthly going forward to encourage relationship building and provide education. ▪ Mercy helicopter planned to be stationed at BB Airport as of 2/1, will have BBFD branding mid-February following ICEMA meeting. ▪ Clinical Informatics is working on an agreement with T system to update EHR to allow E-Prescribing. This will help with Meaningful Use metrics as well as compliance with new prescription requirements. ▪ Stroke committee has been established to improve standard of care and metrics for Stroke patients that present to the ED. 	<ul style="list-style-type: none"> • Informational
<ul style="list-style-type: none"> ▪ Acute 	<ul style="list-style-type: none"> ▪ Swing bed current census=3 ▪ Clinical Informatics is working on implementing E-Prescribing for inpatient unit. 	<ul style="list-style-type: none"> ▪ Continue to monitor

	<ul style="list-style-type: none"> ▪ Census has increased due to increased Swing bed placement and admissions through the ED. 	
<ul style="list-style-type: none"> ▪ Skilled Nursing 	<ul style="list-style-type: none"> ▪ SNF remains at 5-star rating. ▪ Census is currently at 18 residents. ▪ New bathtub options are being reviewed for replacement tub. 	<ul style="list-style-type: none"> ▪ Continue to monitor ▪ Informational
<ul style="list-style-type: none"> ▪ Surgical Services 	<ul style="list-style-type: none"> ▪ Surgical stats are attached. ▪ Orthopedic procedures are being done by Dr. Pautz one day per week. ▪ Working on surgery schedule going forward through the end of Winter for "on call" availability of Dr. Pautz and surgery staff for emergency cases. 	<ul style="list-style-type: none"> ▪ Continue to monitor ▪ Monitor surgical services costs and FTEs
<ul style="list-style-type: none"> ▪ Case Management 	<ul style="list-style-type: none"> ▪ DON and Eligibility Worker are working on referrals for SNF residents and Swing patients. ▪ Case Management is making contact with hospitals in surrounding communities to promote swing beds. ▪ Case Management and Eligibility Services are working on alternative placement for a resident who needs a higher level of service. 	<ul style="list-style-type: none"> ▪ Continue to monitor
<ul style="list-style-type: none"> ▪ Respiratory Therapy 	<ul style="list-style-type: none"> ▪ Working with Department Lead to revise job description. (On hold until further negotiation with OPEIU) 	<ul style="list-style-type: none"> ▪ Informational
<ul style="list-style-type: none"> ▪ Physical Therapy 	<ul style="list-style-type: none"> ▪ New bike was purchased and in service for patient use. 	<ul style="list-style-type: none"> ▪ Continue to monitor
<ul style="list-style-type: none"> ▪ Food and Nutritional Services 	<ul style="list-style-type: none"> ▪ Dietary has been short staffed due to staff out for medical or family issues. Many staff members including the Director have been working extra shifts and double shifts to keep the department running. ▪ New staff have been hired and are in the process of getting ready to start work. 	<ul style="list-style-type: none"> ▪ Informational
4. Infection Prevention	<ul style="list-style-type: none"> ▪ Hand Hygiene monitoring continues. 	<ul style="list-style-type: none"> ▪ Informational

	<ul style="list-style-type: none"> ▪ Infection Preventionist is rounding weekly to educate staff on hand hygiene and infection issues. ▪ Infection Preventionist is working with EVS to review cleaning logs and competencies. ▪ Infection Preventonist attended SB County Infection Control meeting. 	
5. QAPI	<ul style="list-style-type: none"> ▪ Working on Just Culture manager training. 3 training opportunities have been scheduled for managers to attend. All managers should be trained by the end of February. Board members have been invited to Just Culture management training. ▪ Just culture coaching forms implemented and disciplinary forms updated to reflect UNAC MOU. ▪ BETA HEART gap analysis was completed. BETA came on site 1/5/18 and conducted focus groups with Administration, Mangers, Frontline staff, PFAC, and physicians. They reviewed documents and presented the findings to the Administrative team on 1/26/18. ▪ BETA HEART workshop scheduled for 2/5 & 2/6. ▪ Next meeting with PFAC scheduled for 1/29/18. ▪ The first "Smoke Free Big Bear" program (6 week smoking cessation course) with CARE grant funding started 1/23/18. The course had 10 participants. 	<ul style="list-style-type: none"> ▪ Informational ▪ Continue process for Just Culture/ BETA Heart implementation ▪ Continue quarterly PFAC meetings ▪ Continue CARE grant program and reporting
6. Policy Updates	<ul style="list-style-type: none"> ▪ Policies reviewed weekly by Policy and Procedure committee. 	<ul style="list-style-type: none"> ▪ Reviewed through P&P Committee
7. Safety/Product	<ul style="list-style-type: none"> ▪ Workplace Violence training is being provided to all BVCHD staff. ▪ CalOSHA released the 1st cumulative data report from the Workplace Violence Hospital reporting system. 257 Hospitals in California submitted 1 or more reports of violent incidents within the time frame of July 1 2017- September 20 2017. BVHCD has been working to be compliant with Workplace Violence regulations. 	<ul style="list-style-type: none"> ▪ Continue to monitor new regulation and compliance dates

8. Education	<ul style="list-style-type: none"> ▪ Saline shortage continues. ▪ BLS Classes scheduled monthly, ACLS & PALS scheduled quarterly ▪ Smoking Cessation classes being held weekly ▪ 1st Quarterly nursing skills orientation completed for all clinical staff. ▪ Relias (online courses) training assigned through HR and department managers. 	<ul style="list-style-type: none"> • Continue to monitor
9. Information Items/Concerns	<ul style="list-style-type: none"> ▪ Attended 2 CalHIIN Patient and Family Engagement webinars. ▪ Nurse Leader Rounding program implemented. Nurse Leaders have been rounding daily to educate staff on the PFAC and to encourage feedback on staff that need to be recognized for excellent performance. 	<ul style="list-style-type: none"> ▪ Informational
<div> <div> Respectfully Submitted by: <i>Kerri Jex, CNO</i> </div> <div> <i>Date: January 26th, 2018</i> </div> </div>		

2018 Surgery Report

Jan-18		
Physician	# of Cases	Procedures
Critel - CRNA	4	Knee Injections
Critel - CRNA	5	LESI
Critel - CRNA	3	Trigger Point Injections
Critel - CRNA	1	Shoulder Injection
Critel - CRNA	1	Trigger Thumb Injection
Pautz - DO	3	ORIF Finger
Pautz - DO	1	ORIF Calcaneus
Pautz - DO	2	ORIF Radius
Pautz - DO	1	Acromioplasty, Rotator Cuff Repair
Pautz - DO	1	A-1 Pulley Release
Tayani	6	Cataracts
Total	28	
Feb-18		
Physician	# of Cases	Procedures
Critel - CRNA		
Critel - CRNA		
Pautz - DO		
Pautz - DO		
Pautz - DO		
Tayani		
Total	0	
Mar-18		
Physician	# of Cases	Procedures
Critel - CRNA		
Critel - CRNA		
Critel - CRNA		
Pautz - DO		
Pautz - DO		
Pautz - DO		
Pautz - DO		
Pautz - DO		
Tayani		
Total	0	
Apr-18		
Physician	# of Cases	Procedures
Critel - CRNA		
Critel - CRNA		
Critel - CRNA		
Critel - CRNA		
Pautz - DO		
Pautz - DO		
Pautz - DO		

PRINTED: 01/08/2018
FORM APPROVED

California Department of Public Health

STATEMENT OF DEFICIENCIES AND PLAN OF CORRECTION		(X1) PROVIDER/SUPPLIER/CLIA IDENTIFICATION NUMBER: CA240000002	(X2) MULTIPLE CONSTRUCTION A. BUILDING: _____ B. WING: _____	(X5) DATE SURVEY COMPLETED C 12/15/2017
NAME OF PROVIDER OR SUPPLIER BEAR VALLEY COMMUNITY HOSPITAL		STREET ADDRESS CITY, STATE, ZIP CODE 41870 GARSTIN OR BIG BEAR LAKE, CA 92315		
(X4) ID PREFIX TAG	SUMMARY STATEMENT OF DEFICIENCIES (EACH DEFICIENCY MUST BE PRECEDED BY FULL REGULATORY OR LSC IDENTIFYING INFORMATION)	ID PREFIX TAG	PROVIDER'S PLAN OF CORRECTION (EACH CORRECTIVE ACTION SHOULD BE CROSS-REFERENCED TO THE APPROPRIATE DEFICIENCY)	(X6) COMPLETE DATE
E 000	Initial Comments The following reflects the findings of the California Department of Public Health to investigate a complaint. Complaint Number: CA00544867 Representing the California Department of Public Health: Surveyor ID Number: 35030 The inspection was limited to the specific complaint investigated and does not represent the findings of a full inspection of the facility. One deficiency was issued for complaint number CA00544867.	E000	E000 Upon notification of the findings, a plan of correction was developed by the Risk/ Compliance Officer, Administrative Team and the Governing Board. The following is the Plan of Correction.	
E 242	T22 DIV5 CH1 ART3-70203(a)(2) Medical Service General Requirements (2) Developing, maintaining and implementing written policies and procedures in consultation with other appropriate health professionals and administration. Policies shall be approved by the governing body. Procedures shall be approved by the administration and medical staff where such is appropriate. This Statute is not met as evidenced by: Based on interview, and record review the facility failed to follow its policy and procedure when Patient 1's parent presented to the Emergency Department (ED) seeking medical care for Patient 1(minor). This failure had the potential to negatively affect Patient 1's care.	E 242	E242 A memo was sent out to staff on July 17, 2017 regarding proper registration procedures. Patient Access department was in-serviced on proper registration procedures on July 24, 2017. ED staff was in-serviced regarding registration process and EMTALA regulations on July 27, 2017. Follow up in-services were held with ED staff on the subjects of EMTALA and patient registration procedures on August 24, 2017 and September 28, 2017.	7/17/17 7/24/17 9/28/17
Findings:				

Licensing and Certification Division

LABORATORY DIRECTOR'S OR PROVIDER/SUPPLIER REPRESENTATIVE'S SIGNATURE

TITLE

(X6) DATE

STATE FORM

100397

RYNLI1

If continuation sheet 1 of 2

California Department of Public Health

STATEMENT OF DEFICIENCIES (AND) PLAN OF CORRECTION		(X1) PROVIDER/SUPPLIER/CLIA IDENTIFICATION NUMBER: CA240000002	(X2) MULTIPLE CONSTRUCTION A. BUILDING: _____ B. WING: _____		(X3) DATE SURVEY COMPLETED C 12/15/2017
NAME OF PROVIDER OR SUPPLIER BEAR VALLEY COMMUNITY HOSPITAL		STREET ADDRESS, CITY, STATE, ZIP CODE 41870 GARSTIN DR BIG BEAR LAKE, CA 92315			
(X4) 10 PREFIX TAG	SUMMARY STATEMENT OF DEFICIENCIES (EACH DEFICIENCY MUST BE PRECEDED BY FULL REGULATORY OR LSC IDENTIFYING INFORMATION)	10 PREFIX TAG	PROVIDER'S PLAN OF CORRECTION (EACH CORRECTIVE ACTION SHOULD BE CROSS- REFERENCED TO THE APPROPRIATE DEFICIENCY)	7/1 COMPLETE DATE	
E 242	Continued From page 1 During an interview with the Chief Nursing officer (CNO) on September 15, 2017 at 10:45 AM, the CNO stated Patient 1 arrived to the ED with his parent on July 17, 2017. Patient 1's parent was yelling and being verbally abusive to the Patient Access Clerk (Employee 1). The CNO stated Patient 1 was not registered because Patient 1's parent was verbally abusive to Employee 1. During an interview with Employee 1 on September 21, 2017 at 1:21 PM, she stated she did not complete Patient 1's registration process because Patient 1's parent was verbally abusive towards her. During an interview with the Risk Compliance Officer (RCO) on October 4, 2017 at 2:01 PM, the RCO stated Employee 1 attempted to register Patient 1 but did not complete the registration process. The RCO stated Employee 1 did not have an answer to why she did not complete the registration process for Patient 1. The RCO stated the process was not followed. The facility's policy and procedure titled, "Patient Registration," dated January 26, 2017, indicated, "Patient Access shall assure accurate patient information and insurance authorization is collected that patients are aware of hospital policies and procedures, while following established guidelines for excellent customer service and patient care."	E 242	Employee 1 was counseled on July 17, 2017 by the Patient Access Supervisor regarding proper registration procedures, policy titled "Patient Registration" and EMTALA regulations. An online EMTALA review course was assigned to staff 10/2017 with a completion date of 1/31/2018. All staff were trained on reporting EMTALA related concerns to the Compliance Hotline. Effective 1/2018, the Risk/Compliance Officer will monitor the Compliance line weekly for any EMTALA related reports. Data will be reported to the QI Committee up through the Governing Body for six months at which time the indicator will be evaluated for continuation, modification or deletion. Responsible Party: Risk/ Compliance Officer	7/17/2017 1/31/2018 7/1/2018	



Join us for the
7th Annual Big Bear
Polar Plunge!

Saturday, March 3rd at 10am
at the Veterans Park

Each jumper must register at www.sosc.org/bigbearplunge and pledge \$20. BVCHD will pay the remaining balance for each jumper up to 25 people. Each jumper will receive our annual custom designed Polar Plunge Sweatshirt!


BEAR VALLEY
COMMUNITY HEALTHCARE DISTRICT

To chicken to jump? That's cool - we totally understand. You can help man our booth! We need 4 to 5 volunteers for the BVCHD booth. Contact **Megan Meadors** at megmeadors@hotmail if you are interested in helping.

Quorum Board Minutes

Addressing Changes in the Healthcare Landscape



What Would You Do if the CEO Left Tomorrow?

January 2018

Executive turnover is a fact in any business. According to a recent report, for the third consecutive year, health system CEO turnover was 18 percent in 2017. Whatever the reason, a key responsibility of the board is to have an established leadership turnover plan. Boards should ask themselves, “What would they do tomorrow if the CEO told them he or she was leaving?”

“The ongoing consolidation of healthcare organizations, continuing movement toward new models of care and retiring leaders from the baby boomer era may all be influencing those turnover rates. This rate of change in health system senior leadership teams underscores the importance of those organizations having succession plans to successfully manage C-suite changes,” explains Deborah J. Bowen, FACHE, CAE, ACHE’s president and CEO.¹

Today’s healthcare environment is challenging. From health reform changes to regulatory realities to emerging changes in the payment environment to projected physician shortages of between 14,900 and 35,600 primary care physicians by 2025² — health system CEOs face unprecedented challenges. Given today’s demanding healthcare environment, about 70 percent of health system CEOs are choosing to leave³ and that number is expected to increase in the coming years.

Leadership turnover plans provide assurance that when a change in executive leadership occurs, the void can be quickly filled and negative outcomes can be mitigated. Managed ineffectively, the loss of a CEO can result in negative impacts including operations disruptions, staff turnover, decreased morale, medical staff dissatisfaction, community relations issues and even loss of confidence in the health system’s board of trustees.

Mark Armstrong, vice president of consulting operations for Quorum Health Resources recently told HealthLeaders Media that CEO transitions tend to go well if there is a performance improvement plan in place prior to the leadership change. Hospital staff should understand what the performance improvement plan is to ensure stability in case of a sudden departure of the current CEO. Armstrong

¹ American College of Healthcare Executives “Health System CEO Turnover Rate Remains Steady,” 2017

² Association of American Medical Colleges: The Complexities of Physician Supply and Demand, 2016

³ American College of Healthcare Executives “Improving Leadership Stability in Healthcare Organization 2011”

(Continued)

explains, "Where we have seen less effective transitions, is in the absence of such performance improvement plans."

Even during uncertain times, health system boards want to see operational and financial stability in an organization's performance regardless of executive turnover. Leadership turnover plans provide critical assurances so that when and if a change occurs, the void can be quickly filled.

Work with your CEO to develop a strategic plan and annual business plan, and help your organization understand the objectives of that plan. You can also work with your QHR Regional VP to ensure you are well-positioned to manage leadership transition planning.

Heard in the News

Read more about this topic here:

HealthLeaders Media: Four Steps to Plan for CEO Succession

FierceHealthcare: Top 10 Concerns of Chief Nursing Officers

Bear Valley Community Hospital Auxiliary

Post Office Box 887 • Big Bear Lake, CA 92315

January 1, 2018

Bear Valley Community Healthcare District
Attention: John Friel
P.O. Box 1649
Big Bear Lake, Calif. 92315

JAN 05 REC'D

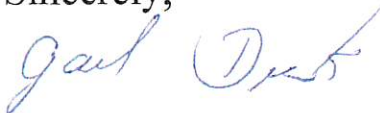
John,

On behalf of the Bear Valley Community Hospital Auxiliary, I would like to thank you and the Bear Valley Community Healthcare District for hosting our Christmas luncheon at Oakside Restaurant.

It is our pleasure to be able to donate the requested funds which go towards the betterment of patient care and the hospital.

Again, thank you for the luncheon.

Sincerely,



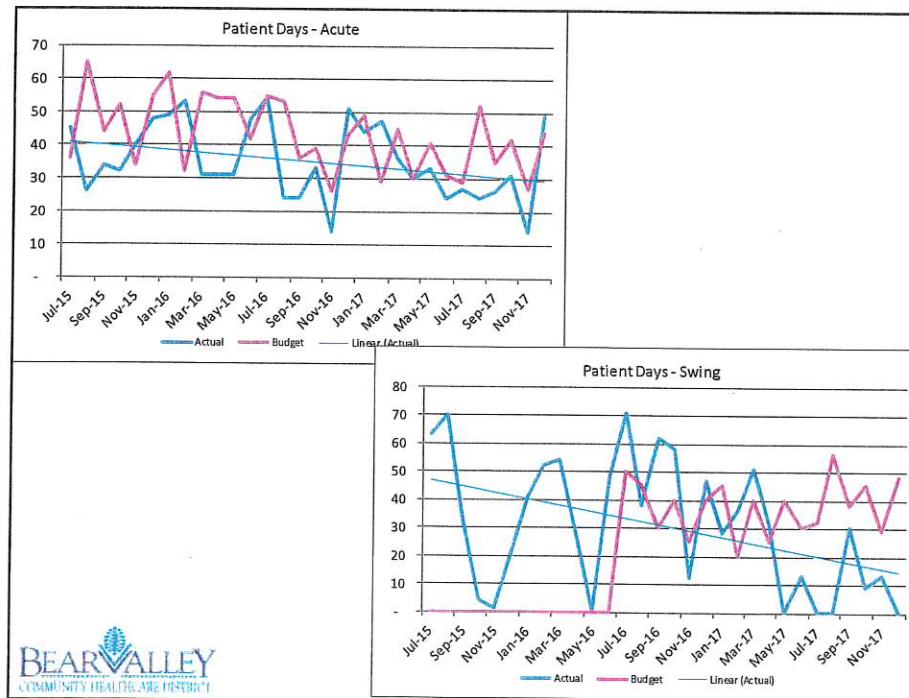
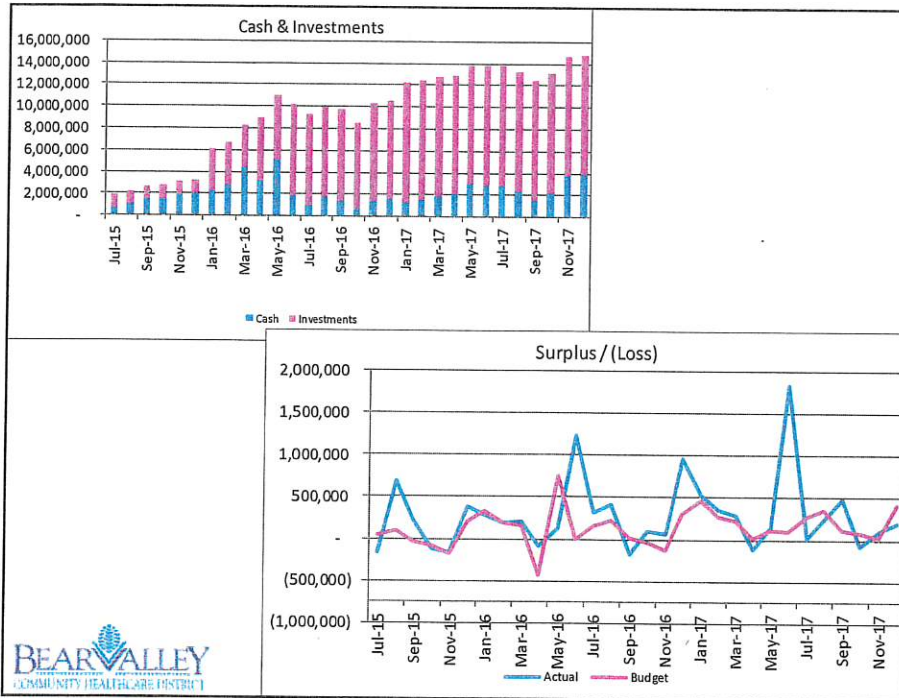
Gail Dick
President
Bear Valley Community Hospital Auxiliary

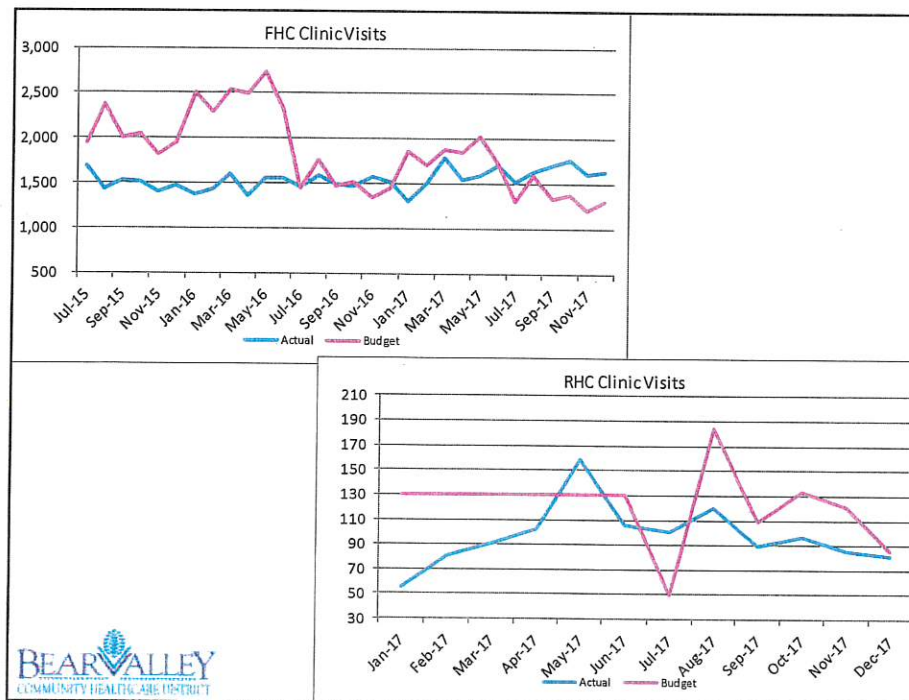
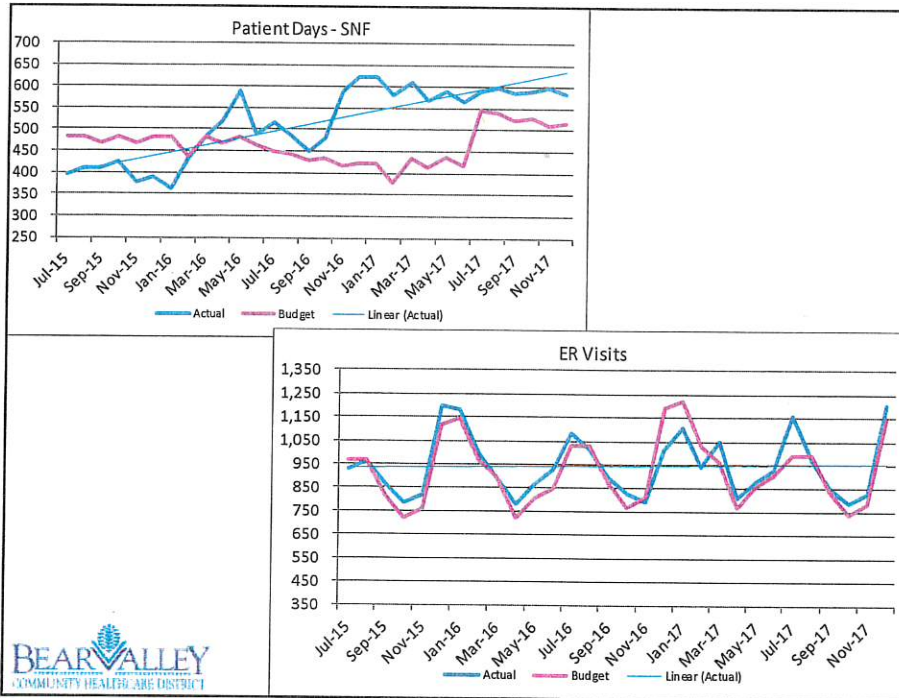


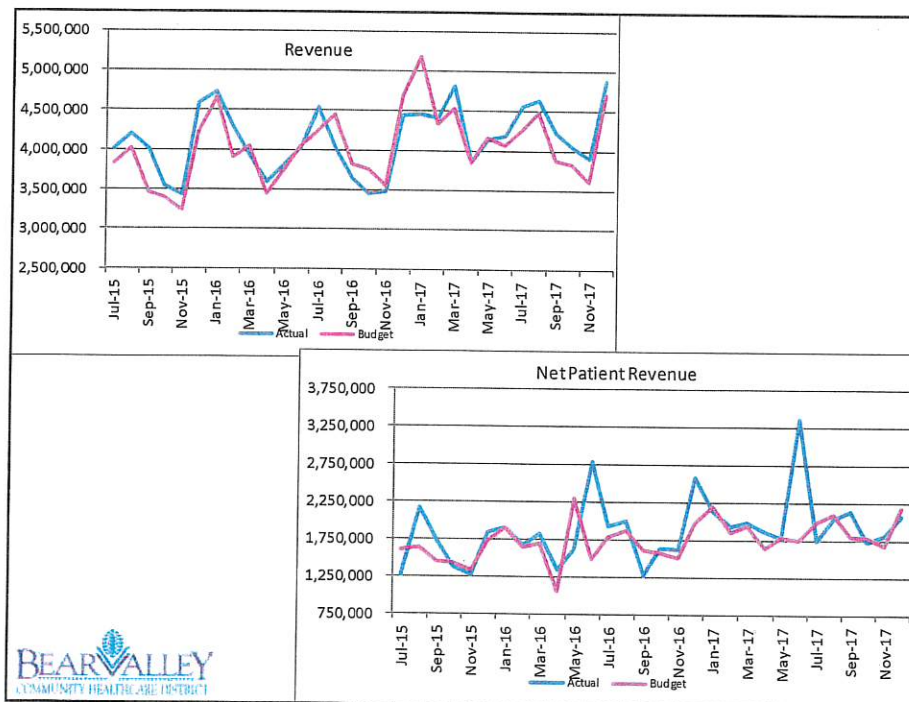
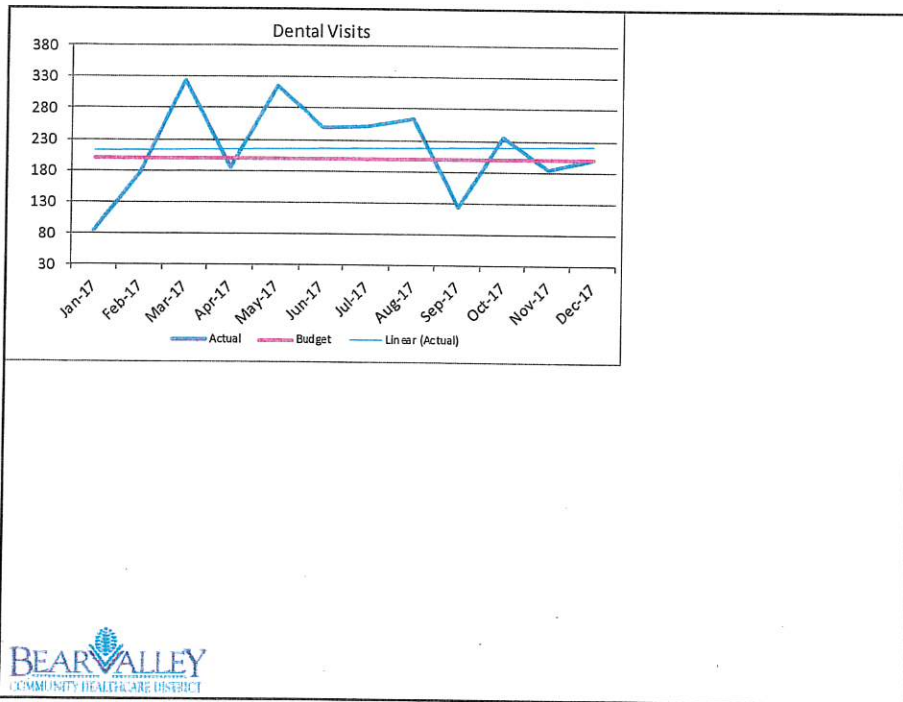
Finance Report
December 2017 Results

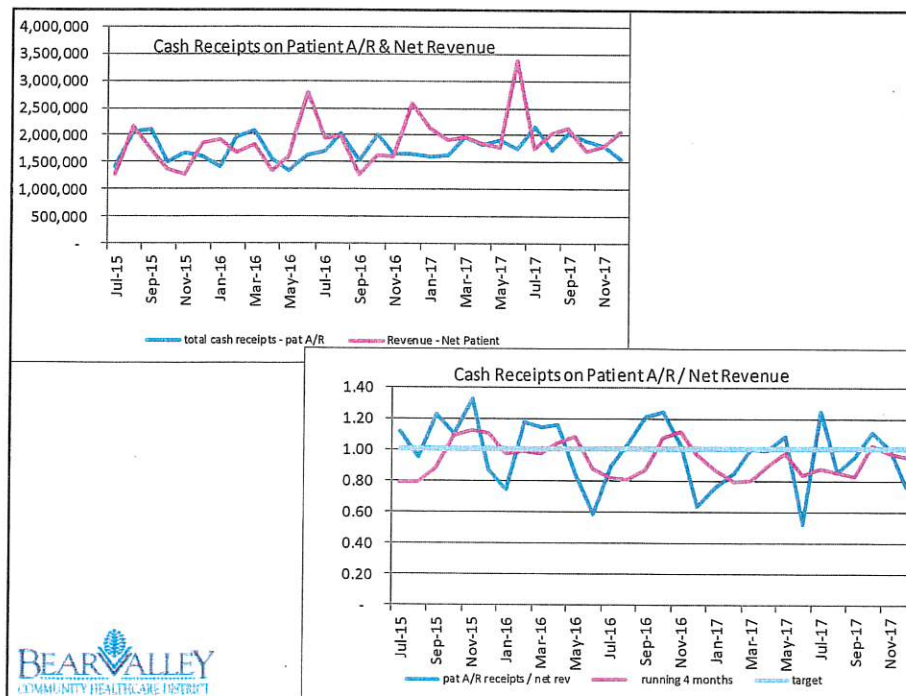
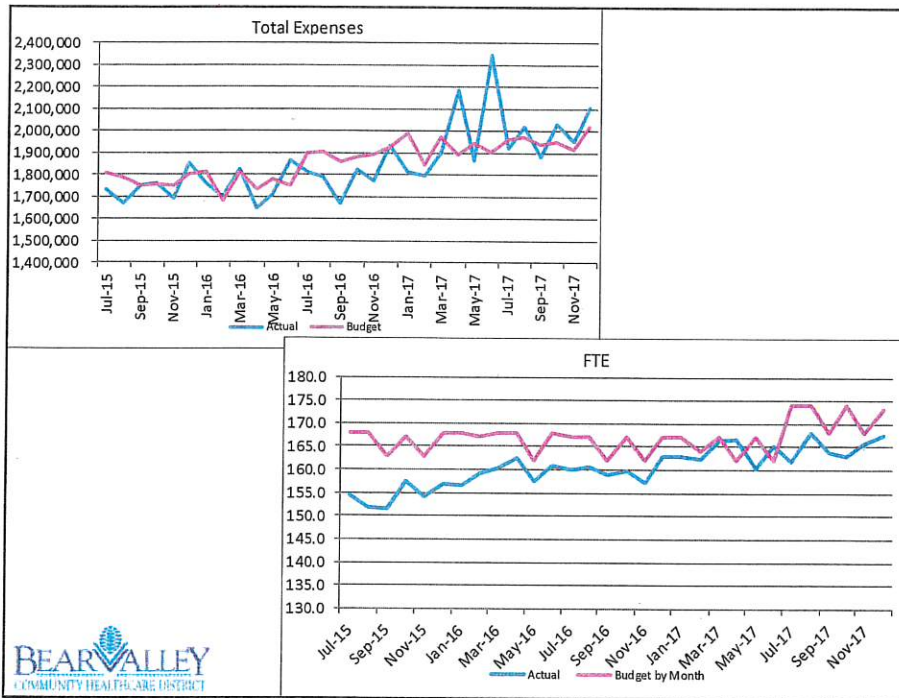
Summary for December 2017

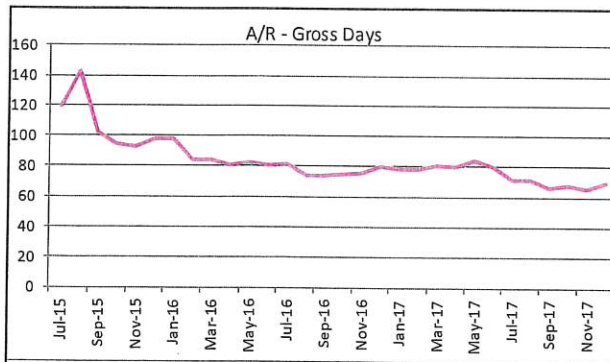
- Cash on Hand - \$3,884,817
- Investments - \$10,952,520
- Days Cash on hand, including investments with LAIF – 237
- Surplus of \$185,190 for the month compared to budgeted surplus of \$405,515.
- Total Patient Revenue over Budget by 3.3% for the month
- Net Revenue was 5.8% lower than budget.
- Total Expenses 4.1% higher than budget













December 2017 Financial Results

For the month . . .

Total Patient Revenue increased by nearly \$1 million from November 2017 to December 2017. Total Patient Revenue of \$4,866,130 for December 3 .3% over budget. Inpatient revenue was 26% under budget. We did see some inpatient days during the month. Outpatient revenue was 4.7% under budget. Clinic revenue was 62.1% over budget. Emergency Room revenue was 4.3% more than budget with visits over budget. Skilled nursing Census continues to run ahead of budget. Skilled nursing revenue was 3.4% over budget for the month.

Deductions from Revenue of \$2,805,209 were 11.2% higher than budget.

Total operating Revenue of \$2,077,912 was 7.3% lower than budget.

Total Operating Expenses of \$2,102,562 were higher than budget by 4.1%. Expenses were most over budget in Salary and Wage expense and Purchased Services with payment for annual audit and interim Managers in Lab and HIM.

Our Surplus for the month of December 2017 was \$185,190. This was \$220,325 less than our budgeted surplus for the month.

Our Operating Cash and Investments total \$14,837,337. Total Days Cash on hand are 237.

Key Statistics

Both Inpatient days were over budget for the month. We had no Swing Patient days for the month.

SNF days totaled 583, an Average Daily Census of 18.8.

Emergency Room visits totaled 1,204 (an increase of 46% over November's total) – 5.2% higher than budget.

Through the first six months of our Fiscal Year . . .

Patient revenue is 5.7% over budget, total revenue deductions are 11.0% more than budget, total expenses are 1.8% higher than budget, and our surplus of \$885,894 is \$307,762 lower than budget.

Acute and Swing patient days continue to run significantly lower than budgeted. SNF days are 12% over budget. ER Visits are 5.6% over budget. FTE continue to be under budget.

Bear Valley Community Healthcare District
Financial Statements December 31, 2017

Financial Highlights—Hospital
STATEMENT OF OPERATIONS

	A	B	C	D	E	F	G	H	I	J
	FY 16/17	Current Month				FY 16/17	Year-to-Date			
		FY 17/18		VARIANCE			FY 17/18		VARIANCE	
	Actual	Actual	Budget	Amount	%	Actual	Actual	Budget	Amount	%
1 Total patient revenue	4,437,377	4,866,130	4,710,052	156,078	3.3%	23,605,162	26,215,812	24,813,279	1,402,533	5.7%
2 Total revenue deductions	1,852,113	2,805,209	2,521,606	283,603	11.2%	12,582,825	14,750,692	13,284,209	1,466,483	11.0%
3 % Deductions	42%	58%	54%			53%	56%	54%		
4 Net Patient Revenue	2,585,264	2,060,921	2,188,446	(127,525)	-5.8%	11,022,337	11,465,120	11,529,070	(63,950)	-0.6%
5 % Net to Gross	58%	42%	46%			47%	44%	46%		
6 Other Revenue	91,980	16,992	51,981	(34,989)	-67.3%	164,908	160,650	311,092	(150,442)	-48.4%
7 Total Operating Revenue	2,677,244	2,077,912	2,240,427	(162,515)	-7.3%	11,187,245	11,625,770	11,840,162	(214,392)	-1.8%
8 Total Expenses	1,923,033	2,102,562	2,020,659	81,903	4.1%	10,756,326	11,905,627	11,760,988	144,639	1.2%
9 % Expenses	43%	43%	43%			46%	45%	47%		
10 Surplus (Loss) from Operations	754,211	(24,650)	219,768	(244,418)	111.2%	430,919	(279,858)	79,174	(359,032)	453.5%
11 % Operating margin	17%	-1%	5%			2%	-1%	0%		
12 Total Non-operating	210,157	209,840	185,747	24,093	13.0%	1,223,874	1,165,752	1,114,482	51,270	4.6%
13 Surplus/(Loss)	964,368	185,190	405,515	(220,325)	54.3%	1,654,793	885,894	1,193,656	(307,762)	25.8%
14 % Total margin	22%	4%	9%			7%	3%	5%		

BALANCE SHEET

	A	B	C	D	E
	December	December	November	VARIANCE	
	FY 16/17	FY 17/18	FY 17/18	Amount	%
15 Gross Accounts Receivables	9,851,412	9,769,429	8,881,521	887,908	10.0%
16 Net Accounts Receivables	3,482,358	3,660,830	3,293,255	367,575	11.2%
17 % Net AR to Gross AR	35%	37%	37%		
18 Days Gross AR	80	70	66	4	5.7%
19 Cash Collections	1,643,286	1,567,959	1,802,798	(234,839)	-13.0%
20 Investments	8,852,271	10,952,520	10,921,640	30,880	0.3%
21 Cash on hand	1,844,932	3,884,817	3,733,239	151,578	4.1%
22 Total Cash & Invest	10,497,203	14,837,337	14,654,879	182,458	1.2%
23 Days Cash & Invest	184	237	236	1	0.4%
24 Total Cash and Investments	10,497,203	14,837,337			
Increase Current Year vs. Prior Year		4,340,134			

Bear Valley Community Healthcare District
Financial Statements December 31, 2017

Statement of Operations

	A	B	C	D	E	F	G	H	I	J
	Current Month					Year-to-Date				
	FY 15/16	FY 16/17		VARIANCE		FY 15/16	FY 16/17		VARIANCE	
	Actual	Actual	Budget	Amount	%	Actual	Actual	Budget	Amount	%
Gross Patient Revenue										
1 Inpatient	301,023	202,529	273,563	(71,034)	-26.0%	1,353,254	768,094	1,438,663	(670,569)	-46.6%
2 Outpatient	769,387	857,747	900,210	(42,463)	-4.7%	5,151,042	6,041,940	5,290,384	751,556	14.2%
3 Clinic Revenue	178,518	339,330	209,389	129,941	62.1%	1,102,349	2,117,435	1,290,446	826,989	64.1%
4 Emergency Room	2,908,598	3,207,446	3,076,318	131,128	4.3%	14,596,796	15,711,838	15,309,607	402,231	2.6%
5 Skilled Nursing Facility	279,851	269,078	250,572	8,506	3.4%	1,401,721	1,576,504	1,484,179	92,325	6.2%
6 Total patient revenue	4,437,377	4,866,130	4,710,052	156,078	3.3%	23,605,162	26,215,812	24,813,279	1,402,533	5.7%
Revenue Deductions										
7 Contractual Allow	1,626,395	2,569,127	2,308,230	260,897	11.3%	10,385,661	12,910,349	12,160,112	750,237	6.2%
8 Contractual Allow PY	(1,592)	-	-	-	#DIV/0!	(47,958)	(27)	-	(27)	#DIV/0!
9 Charity Care	15,815	1,812	10,087	(8,275)	-82.0%	61,715	32,328	53,139	(20,811)	-39.2%
10 Administrative	9,989	989	8,839	(7,850)	-88.6%	59,406	297,644	46,563	251,081	539.2%
11 Policy Discount	7,190	9,781	7,199	2,582	35.9%	36,116	62,049	37,928	24,121	63.6%
12 Employee Discount	4,875	4,202	3,917	285	7.3%	17,673	30,165	20,635	9,530	46.2%
13 Bad Debts	109,015	130,228	183,334	(53,106)	-29.0%	887,458	627,339	965,832	(338,493)	-35.0%
14 Denials	266,959	89,070	-	89,070	#DIV/0!	1,182,754	790,844	-	790,844	#DIV/0!
15 Total revenue deductions	1,852,113	2,805,209	2,521,606	283,603	11.2%	12,582,625	14,750,692	13,284,209	1,466,483	11.0%
16 Net Patient Revenue	2,585,264	2,060,921	2,188,446	(127,525)	-5.8%	11,022,337	11,465,120	11,529,070	(63,950)	-0.6%
gross revenue including Prior Year	40.2%	40.2%		40.2%		40.2%	447.4%	447.4%	0.0%	
Contractual Allowances as a percent to	39.2%	39.2%		39.2%		39.2%	437.2%	437.2%	0.0%	
gross revenue WO PY and Other CA										
17 Other Revenue	91,980	16,992	51,981	(34,989)	-67.3%	164,908	160,650	311,092	(150,442)	-48.4%
18 Total Operating Revenue	2,677,244	2,077,912	2,240,427	(162,515)	-7.3%	11,187,245	11,625,770	11,840,162	(214,392)	-1.8%
Expenses										
19 Salaries	813,459	884,119	824,187	59,932	7.3%	4,556,039	4,848,118	4,898,432	(50,314)	-1.0%
20 Employee Benefits	309,347	316,321	339,167	(22,846)	-6.7%	1,724,651	1,811,299	1,935,599	(124,300)	-6.4%
21 Registry	-	3,310	-	3,310	#DIV/0!	33,285	16,028	-	16,028	#DIV/0!
22 Salaries and Benefits	1,122,808	1,203,749	1,163,354	40,395	3.5%	6,313,975	6,675,444	6,834,031	(158,587)	-2.3%
23 Professional fees	171,519	157,808	176,392	(18,584)	-10.5%	863,791	990,182	953,582	36,600	3.8%
24 Supplies	148,856	107,112	131,575	(24,463)	-18.6%	743,866	749,253	738,770	10,483	1.4%
25 Utilities	40,402	39,869	45,973	(6,104)	-13.3%	263,359	249,107	273,721	(24,614)	-9.0%
26 Repairs and Maintenance	16,704	28,409	22,668	5,741	25.3%	124,007	174,157	135,802	38,355	28.2%
27 Purchased Services	278,297	395,485	305,539	89,946	29.4%	1,615,744	2,079,697	1,775,653	304,044	17.1%
28 Insurance	25,201	27,345	25,917	1,428	5.5%	150,271	156,228	155,502	726	0.5%
29 Depreciation	50,869	62,710	75,000	(12,290)	-10.3%	279,038	383,197	450,000	(66,803)	-14.8%
30 Rental and Leases	18,434	16,214	16,297	(83)	-0.5%	110,055	176,769	97,782	79,987	80.8%
32 Dues and Subscriptions	4,258	5,207	5,046	161	3.2%	26,277	31,581	30,274	1,307	4.3%
33 Other Expense	45,687	38,655	52,898	(14,243)	-26.9%	265,943	240,011	315,871	(75,860)	-24.0%
34 Total Expenses	1,923,033	2,102,562	2,020,659	81,903	4.1%	10,756,326	11,905,627	11,760,988	144,639	1.2%
35 Surplus (Loss) from Operations	754,211	(24,650)	219,768	(244,416)	111.2%	430,919	(279,858)	79,174	(359,032)	453.5%
Non-Operating Income										
36 Tax Revenue	189,917	186,047	186,047	-	0.0%	1,139,502	1,116,282	1,116,282	-	0.0%
37 Other non-operating	14,850	-	3,283	(3,283)	-100.0%	89,352	30,247	19,698	10,549	53.6%
38 Interest Income	13,849	31,840	4,167	27,673	664.1%	42,456	66,405	25,002	41,403	165.6%
39 Interest Expense	(8,459)	(8,047)	(7,750)	(297)	3.8%	(47,436)	(47,183)	(46,500)	(683)	1.5%
Total Non-operating	210,157	209,840	185,747	24,093	13.0%	1,223,874	1,165,752	1,114,482	51,270	4.6%
40 Surplus/(Loss)	964,368	185,190	405,515	(220,325)	54.3%	1,654,793	885,894	1,193,656	(307,762)	25.8%

2017-18 Actual BS

BALANCE SHEET

(Reflects 6/30/17 Y/E audit adjustments)

	July	Aug	Sept	Oct	Nov	Dec	PY BS June
ASSETS:							
Current Assets							
Cash and Cash Equivalents (Includes CD's)	2,926,360	2,290,992	1,483,027	2,187,881	3,733,239	3,884,817	2,858,405
Gross Patient Accounts Receivable	10,084,033	10,529,969	9,819,853	9,516,577	8,883,930	9,771,838	10,749,524
Less: Reserves for Allowances & Bad Debt	6,481,129	6,632,089	5,818,066	5,954,203	5,590,675	6,111,008	6,824,943
Net Patient Accounts Receivable	3,602,904	3,897,880	4,001,787	3,562,374	3,293,255	3,660,830	3,924,581
Tax Revenue Receivable	2,232,569	2,232,569	2,232,569	2,232,569	1,944,288	970,958	56,787
Other Receivables	88,537	55,474	750,144	324,224	-1,218,923	-1,160,647	107,830
Inventories	217,948	220,580	221,025	226,011	222,712	222,388	212,805
Prepaid Expenses	330,877	339,259	336,340	352,943	342,699	313,470	192,216
Due From Third Party Payers	0						
Due From Affiliates/Related Organizations	0						
Other Current Assets	0						
Total Current Assets	9,399,195	9,036,754	9,024,893	8,886,002	8,317,270	7,891,816	7,352,624
Assets Whose Use is Limited							
Investments	10,894,184	10,894,184	10,921,640	10,921,640	10,921,640	10,952,520	10,894,184
Other Limited Use Assets	144,375	144,375	144,375	144,375	144,375	144,375	144,375
Total Limited Use Assets	11,038,559	11,038,559	11,066,015	11,066,015	11,066,015	11,096,895	11,038,559
Property, Plant, and Equipment							
Land and Land Improvements	547,472	570,615	570,615	570,615	570,615	570,615	547,472
Building and Building Improvements	9,657,088	9,659,388	9,686,383	9,696,603	9,699,157	9,699,804	9,657,088
Equipment	9,625,066	9,694,652	10,189,492	10,232,207	11,486,278	11,504,275	9,614,476
Construction In Progress	1,058,659	1,101,848	753,103	1,356,225	146,485	146,485	532,158
Capitalized Interest	0						
Gross Property, Plant, and Equipment	20,888,285	21,026,502	21,199,592	21,855,650	21,902,534	21,921,179	20,351,194
Less: Accumulated Depreciation	12,764,979	12,814,141	12,872,956	12,934,442	13,016,899	13,099,608	12,716,411
Net Property, Plant, and Equipment	8,123,306	8,212,362	8,326,636	8,921,208	8,885,636	8,821,571	7,634,783
TOTAL UNRESTRICTED ASSETS	28,561,060	28,287,674	28,417,544	28,873,224	28,268,920	27,810,282	26,025,966
Restricted Assets	0	0	0	0	0	0	0
TOTAL ASSETS	28,561,060	28,287,674	28,417,544	28,873,224	28,268,920	27,810,282	26,025,966

2017-18 Actual BS

BALANCE SHEET

(Reflects 6/30/17 Y/E audit adjustments)

LIABILITIES:

	July	Aug	Sept	Oct	Nov	Dec	PY BS June
Current Liabilities							
Accounts Payable	1,382,046	985,885	792,559	1,431,694	876,176	956,102	1,055,031
Notes and Loans Payable							
Accrued Payroll	775,117	846,351	884,291	975,116	996,448	697,894	684,799
Patient Refunds Payable							
Due to Third Party Payers (Settlements)	709,007	709,470	695,980	695,980	718,109	552,505	649,537
Advances From Third Party Payers							
Current Portion of Def Rev - Txs,	2,046,518	1,860,471	1,674,424	1,488,377	1,302,330	1,151,283	-4
Current Portion - LT Debt	35,000	35,000	35,000	35,000	35,000	35,000	35,000
Current Portion of AB915							
Other Current Liabilities (Accrued Interest & Accrued Other)	15,243	23,005	30,785	38,407	46,169	7,621	7,621
Total Current Liabilities	4,962,931	4,460,183	4,113,039	4,664,574	3,974,233	3,400,405	2,431,984
Long Term Debt							
USDA Loan	2,930,000	2,930,000	2,930,000	2,930,000	2,930,000	2,895,000	2,965,000
Leases Payable	0	0	0	0	0	0	0
Less: Current Portion Of Long Term Debt	35,000	35,000	35,000	35,000	35,000	35,000	35,000
Total Long Term Debt (Net of Current)	2,930,000	2,930,000	2,930,000	2,930,000	2,930,000	2,860,000	2,930,000
Other Long Term Liabilities							
Deferred Revenue	0	0	0	0	0	0	0
Other	0	0	0	0	0	0	0
Total Other Long Term Liabilities	0	0	0	0	0	0	0
TOTAL LIABILITIES	7,892,931	7,390,183	7,043,039	7,594,574	6,904,233	6,260,405	5,361,984
Fund Balance							
Unrestricted Fund Balance	20,663,982	20,663,983	20,663,982	20,663,982	20,663,982	20,663,982	16,251,126
Temporarily Restricted Fund Balance	0	0	0	0	0	0	0
Equity Transfer from FRHG	0	0	0	0	0	0	0
Net Revenue/(Expenses)	4,147	233,510	710,523	614,668	700,705	885,895	4,412,856
TOTAL FUND BALANCE	20,668,129	20,897,491	21,374,505	21,278,650	21,364,687	21,549,877	20,663,982
TOTAL LIABILITIES & FUND BALANCE	28,561,060	28,287,674	28,417,544	28,873,224	28,268,920	27,810,282	26,025,966

**Bear Valley Community Healthcare District
Financial Statements**

Current Year Trending Statement of Operations

A Statement of Operations—CURRENT YEAR 2018

	1	2	3	4	5	6	7	8	9	10	11	12	
	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	YTD
Gross Patient Revenue													
1 Inpatient	95,787	98,514	150,843	142,719	77,702	202,529							768,094
2 Outpatient	868,939	1,205,964	1,063,953	1,047,978	997,359	857,747							6,041,940
3 Clinic	347,893	369,602	339,870	391,164	329,577	339,330							2,117,435
4 Emergency Room	2,985,253	2,686,283	2,407,574	2,203,306	2,221,976	3,207,446							15,711,838
5 Skilled Nursing Facility	261,793	265,487	262,653	261,572	265,920	259,078							1,576,504
6 Total patient revenue	4,559,665	4,625,850	4,224,893	4,046,739	3,892,534	4,866,130	-	-	-	-	-	-	26,215,812
Revenue Deductions	CIA 0.56	0.47	0.47	0.47	0.44	0.53	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	0.49
7 Contractual Allow	2,548,409	2,192,333	1,994,911	1,909,156	1,696,412	2,569,127							12,910,349
8 Contractual Allow PY	-	463	1,249	(1,739)	-	-							(27)
9 Charity Care	7,675	12,842	-	-	9,999	1,812							32,328
10 Administrative	(746)	114,668	169,442	10,431	2,860	989							297,544
11 Policy Discount	11,532	11,940	7,202	10,680	10,915	9,781							62,049
12 Employee Discount	4,711	9,099	3,938	4,084	4,131	4,202							30,165
13 Bad Debts	(59,348)	69,295	45,428	236,304	205,433	130,228							627,339
14 Denials	307,852	190,797	(129,516)	169,768	162,874	89,070							790,844
15 Total revenue deductions	2,820,085	2,601,437	2,092,654	2,338,683	2,092,624	2,805,209	-	-	-	-	-	-	14,750,692
16 Net Patient Revenue	1,739,580	2,024,413	2,132,239	1,708,056	1,799,911	2,060,921	-	-	-	-	-	-	11,465,120
	38.2%	43.8%	50.5%	42.2%	46.2%	42.4%	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	43.7%
17 Other Revenue	7,162	35,245	20,043	45,312	35,896	16,992							160,650
18 Total Operating Revenue	1,746,742	2,059,658	2,152,282	1,753,369	1,835,807	2,077,912	-	-	-	-	-	-	11,625,770
Expenses													
19 Salaries	800,028	842,003	802,356	798,066	721,536	884,119							4,848,118
20 Employee Benefits	286,721	318,469	300,954	292,526	296,309	316,321							1,811,299
21 Registry	12,718	-	-	-	-	3,310							16,028
22 Salaries and Benefits	1,099,467	1,160,472	1,103,320	1,090,592	1,017,845	1,203,749	-	-	-	-	-	-	6,675,444
23 Professional fees	163,392	159,614	149,941	191,107	168,319	157,808							990,182
24 Supplies	130,715	136,046	101,350	139,091	134,939	107,112							749,253
25 Utilities	42,342	42,209	43,009	40,689	40,960	39,869							249,107
26 Repairs and Maintenance	22,461	19,239	35,825	30,007	38,216	28,409							174,157
27 Purchased Services	302,014	346,148	281,012	373,876	381,162	395,465							2,079,697
28 Insurance	25,762	25,762	25,762	25,835	25,762	27,345							156,228
29 Depreciation	48,568	49,162	58,815	61,486	82,456	82,710							383,197
30 Rental and Leases	46,445	39,979	35,360	23,454	15,317	16,214							176,769
32 Dues and Subscriptions	5,518	5,427	5,725	5,181	4,523	5,207							31,581
33 Other Expense	36,147	35,255	43,441	47,022	39,491	38,655							240,011
34 Total Expenses	1,922,831	2,019,314	1,883,559	2,028,341	1,949,020	2,102,562	-	-	-	-	-	-	11,905,527
Surplus (Loss) from Operations	(176,089)	40,344	268,723	(274,973)	(113,213)	(24,650)	-	-	-	-	-	-	(279,858)
Non-Operating Income													
37 Tax Revenue	186,047	186,047	186,047	186,047	186,047	186,047							1,116,282
38 Other non-operating		10,247	(130)	130	20,000	-							30,247
Interest Income	1,906	626	30,375	693	965	31,840							66,405
Interest Expense	(7,717)	(7,902)	(8,002)	(7,752)	(7,763)	(8,047)							(47,183)
39 Total Non-operating	180,236	189,018	208,290	179,118	199,249	209,840	-	-	-	-	-	-	1,165,762
40 Surplus/(Loss)	4,147	229,362	477,013	(95,854)	86,036	185,190	-	-	-	-	-	-	885,894

Units of Service

For the period ending: December 31, 2017

31		184										
Current Month						Year-To-Date						
Bear Valley Community Hospital												
Dec-17 Actual	Budget	Dec-16 Actual	Actual - Variance	Budget Var %	Act.-Act. Var %		Dec-17 Actual	Budget	Dec-16 Actual	Actual - Variance	Budget Var %	Act.-Act. Var %
49	44	51	5	11.1%	-3.9%	Med Surg Patient Days	171	229	200	(58)	-25.2%	-14.5%
-	48	47	(48)	0.0%	-100.0%	Swing Patient Days	52	248	288	(196)	-79.1%	-81.9%
583	515	620	68	13.2%	-6.0%	SNF Patient Days	3,541	3,158	3,138	383	12.1%	12.8%
632	607	718	25	4.1%	-12.0%	Total Patient Days	3,764	3,635	3,626	129	3.5%	3.8%
18	15	20	3	20.0%	-10.0%	Acute Admissions	75	90	81	(15)	-16.7%	-7.4%
16	15	20	1	6.7%	-20.0%	Acute Discharges	75	90	86	(15)	-16.7%	-12.8%
3.1	-	2.6	3.1	#DIV/0!	20.1%	Acute Average Length of Stay	2.3	-	2.3	2.3	#DIV/0!	-2.0%
1.6	1.4	1.6	0.2	11.1%	-3.9%	Acute Average Daily Census	0.9	1	1.1	(0.3)	-25.2%	-14.5%
18.8	18.2	21.5	0.6	3.6%	-12.6%	SNF/Swing Avg Daily Census	19.5	19	18.6	1.0	5.5%	4.9%
20.4	19.6	23.2	0.8	4.1%	-12.0%	Total Avg. Daily Census	20.5	20	19.7	0.7	3.5%	3.8%
45%	44%	51%	2%	4.1%	-12.0%	% Occupancy	45%	44%	44%	2%	3.5%	3.8%
85	85	85	-	0.0%	0.0%	Emergency Room Admitted	478	478	478	-	0.0%	0.0%
1,186	1,000	997	186	18.6%	19.0%	Emergency Room Discharged	5,721	6,000	5,548	(279)	-4.7%	3.1%
1,271	1,144	1,082	127	11.1%	17.5%	Emergency Room Total	6,199	5,478	6,026	721	13.2%	2.9%
41	37	35	4	11.1%	17.5%	ER visits per calendar day	34	30	33	4	13.2%	2.9%
472%	567%	425%	#DIV/0!	#DIV/0!	11.1%	% Admits from ER	637%	531%	590%	#DIV/0!	#DIV/0!	8.0%
2	-	-	2	0.0%	#DIV/0!	Surgical Procedures I/P	2	-	-	2	0.0%	#DIV/0!
13	20	10	(7)	-35.0%	30.0%	Surgical Procedures O/P	82	125	35	(43)	-34.4%	134.3%
15	20	10	(5)	-25.0%	50.0%	TOTAL Procedures	84	125	35	(41)	-32.8%	140.0%
1,602	295	821	1,307	443.1%	95.1%	Surgical Minutes Total	6,271	1,752	1,405	4,519	257.9%	346.3%

Units of Service
For the period ending: December 31, 2017

Current Month						Bear Valley Community Hospital	Year-To-Date					
Dec-17 Actual	Budget	Dec-16 Actual	Actual -Budget Variance	Var %	Act.-Act. Var %		Dec-17 Actual	Budget	Dec-16 Actual	Actual -Budget Variance	Var %	Act.-Act. Var %
5,874	5,253	5,615	621	11.8%	4.6%	Lab Procedures	37,117	33,689	35,961	3,428	10.2%	3.2%
929	862	976	67	7.8%	-4.8%	X-Ray Procedures	4,178	4,193	4,543	(15)	-0.4%	-8.0%
292	317	273	(25)	-7.9%	7.0%	C.T. Scan Procedures	1,554	1,481	1,512	73	4.9%	2.8%
179	166	177	13	7.8%	1.1%	Ultrasound Procedures	1,345	1,158	1,262	187	16.1%	6.6%
23	50	25	(27)	-54.0%	-8.0%	Mammography Procedures	402	300	286	102	34.0%	40.6%
271	263	247	8	3.0%	9.7%	EKG Procedures	1,720	1,512	1,486	208	13.8%	15.7%
172	127	107	45	35.4%	60.7%	Respiratory Procedures	697	552	554	145	26.3%	25.8%
1,354	1,190	1,671	164	13.8%	-19.0%	Physical Therapy Procedures	8,214	9,370	10,807	(1,156)	-12.3%	-24.0%
1,710	1,381	1,515	329	23.8%	12.9%	Primary Care Clinic Visits	10,409	8,763	9,104	1,646	18.8%	14.3%
201	200	-	1	0.0%	#DIV/0!	Specialty Clinic Visits	1,260	1,200	-	60	0.0%	#DIV/0!
1,911	1,581	1,515	330	20.9%	26.1%	Clinic	11,669	9,963	9,104	1,706	17.1%	28.2%
74	61	58	13	20.9%	26.1%	Clinic visits per work day	90	77	70	13	17.1%	28.2%
18.1%	20.00%	18.80%	-1.90%	-9.50%	-3.72%	% Medicare Revenue	19.72%	20.00%	21.27%	-0.28%	-1.42%	-7.29%
38.60%	37.00%	36.30%	1.60%	4.32%	6.34%	% Medi-Cal Revenue	40.20%	37.00%	38.87%	3.20%	8.65%	3.43%
37.30%	38.00%	40.30%	-0.70%	-1.84%	-7.44%	% Insurance Revenue	35.58%	38.00%	36.05%	-2.42%	-6.36%	-1.29%
6.00%	5.00%	4.60%	1.00%	20.00%	30.43%	% Self-Pay Revenue	4.50%	5.00%	3.82%	-0.50%	-10.00%	17.90%
148.9	155.00	143.8	(6.1)	-4.0%	3.6%	Productive FTE's	144.37	153.33	141.5	(9.0)	-5.8%	2.1%
167.2	173.00	163.0	(5.8)	-3.4%	2.6%	Total FTE's	164.92	171.83	159.9	(6.9)	-4.0%	3.2%



CFO REPORT for February 14, 2018, Board meeting

QHR Revenue Cycle Review

On-site work tentatively scheduled for the week of February 19. We are gathering information to send to consultant in Nashville for review prior to the consultant coming on site. Focus of the review will be in three key areas -

- Patient Access Services, front-end, processes

- review of TruBridge performance

- consideration of bringing PFS/Billing processes in-house

HIM Manager Update

We have received an application, through Indeed, from a candidate that we will meet with during the last week of January. We have placed an ad on the California Health Information Association web-site

Coding Review

Bolder Prospective Payment Specialists has been engaged to do coding validation reviews. We will have them review some charts each month which will allow us focus on particular areas and indicated and directed by our Chart Audit Committee. Annual cost will be about \$5,000. We have applied for Ship Grant funds to pay this expense.

FY 2011 RHC Audit

In the fall of 2015 California Medi-Cal conducted an audit of our fiscal year 2011 records for the RHC to update RHC payment rates. We now have word of the deposit of over \$600,000 for RHC claims. This is a reprocessing of claims to reflect corrected payment rates per visit.

Transfer of funds LAIF

With our continued strong cash position, we have transferred \$2,500,000 to our LAIF account.

Policies on Cash Handling

The Committee reviewed policies related to the dietary deposit, daily cash receipts and deposit, and cash drawer reconciliation and forms related to these policies. Some changes were recommended. The policies will be revised and brought to the Board.

Salary and Wage Administration

We have talked about the need for a Wage and Salary Administration Review Process. Key objectives of such a review would -

- consider labor market compensation philosophy (where do we wish to compete in the market)
- conduct fact finding – interviews with Human Resources and key leaders, reviews all related documents - to assess the current program and financial resources
- analyze the present program and develop an improved approach
- meet with department directors as may be necessary, for input regarding job classifications and current pay practices in each department

The resulting Report would provide observations and recommendations regarding pay structures, associated pay policies, and potential implementation strategies, along with resources to accomplish the recommendations

Healthcare Reform

Monitoring possible changes in the ACA continues to be a priority. The California Hospital Association and the American Hospital Association are key sources of information that we are in contact with regularly.

Saline Solution Shortage

There continues to be difficulty in procuring saline solution. Expiration dates have recently been extended to help address the need.